

Company Registration No. 7140691 (England and Wales)

Charity Registration No. 1135423

KOINONIA CHRISTIAN CARE
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

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KOINONIA CHRISTIAN CARE

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FOR THE YEAR ENDED 31st MARCH 2017**

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KOINONIA CHRISTIAN CARE
CHARITY INFORMATION
FOR THE YEAR ENDED 31st MARCH 2017

TRUSTEES:	Robin Turnbull - Chair Sheila Berry Janet Bradley Colin Carpenter Alan Hare
REGISTERED CARE HOME MANAGER:	Phyllis Alabaster
REGISTERED OFFICE:	4 Winchester Road Worthing West Sussex BN11 4DJ
REGISTERED COMPANY NUMBER:	7140691 (England & Wales)
REGISTERED CHARITY NUMBER:	1135423
AUDITORS:	BD&M Limited Chartered Certified Accountants Skies, 20 St Martinsfield Winterborne St Martin Dorset DT2 9JU
BANKERS:	National Westminster Bank Plc 27 South Street Worthing BN11 3AR Alliance & Leicester Commercial Bank BBAM Bridle Road Bootle Merseyside GIR 0AA

**KOINONIA CHRISTIAN CARE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act present their report together with the financial statements of the charity for the year ended 31st March 2017. They are also prepared to meet the requirements for a directors report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015.

Objectives and Activities

The company's objects are for the public benefit as set out in its Articles of Association. They are to relieve the needs of persons who are in need due to age, sickness or financial hardship including the provision of housing and any associated amenities including domiciliary care in such parts of Worthing, West Sussex, the United Kingdom and the world as the Trustees may from time to time think fit.

The sole activity during the year was providing accommodation and care to elderly Christians at a home in Worthing. The home is a registered care home with 39 residents for long term and respite care.

When planning activities for the year, the trustees have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The trustees assess success using customer feedback, occupancy rates and regular Trustee Reports.

Achievements and Performance

This year has been another busy year at Koinonia. The average occupancy level has increased again and stood at 98.6% for the year.

A number of the residents have died through the year and the rooms have soon been filled by new residents and a number of much needed short term respite. We supported their families through their times of loss.

As a Christian family home our residents have appreciated meeting together in the week for prayer and valued the daily Epilogues in the home which were led by a number of ministers and friends from various local churches. Members of the home's management team and some of the residents also share in this ministry.

Our residents continue to be offered a variety of activities including entertainers, musicians and local choirs. We had weekly Music and Exercise classes and a fortnightly Arts and Craft class which provided enjoyment for those with a creative talent as well as for beginners and triers.

We have a dedicated team of caring Volunteers who serve residents morning coffees, help at our fundraising events and provide transport to enable residents to attend appointments outside the home. They also joined residents and staff on our summer outings which this year saw us enjoying lunch as we cruised along on the Wey & Arun Canal, having a coach ride and visit to Marine Gardens, Worthing for a tea, feeding the birds at Arundel Wetlands Trust and two Garden Centres and visiting Chichester Cathedral to enjoy a lovely lunch there. Joining in with most outings is made easier by the use of a hired coach with a wheelchair lift ensuring that most can come along and enjoy the days out.

Our busy and caring staff team continued to meet the growing needs of our ageing residents. We pride ourselves in our staff retention record in a sector which traditionally sees care staff moving around from home to home. All the staff are continuing in the training for Dementia Care as an ongoing need for the care we are now doing mainly in Jeannette Gwynne House.

The charity uses the customer feedback organization, Working feedback, to obtain independent feedback on our services. We also pay high attention to reports from the CQC. We have computerized our care plans and medical care to make these operations work more efficiently.

**KOINONIA CHRISTIAN CARE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2017**

The premises have been maintained and improved over the past year. This ensures that the residents are kept safe.

Financial Review

Total incoming resources for the year amounted to £1,334,361, including voluntary income of £5,256. Net incoming resources were £15,741 (2016 £142,957). Reserves at 31st March 2017 were £3,017,230, including £2,914,542 invested in fixed assets.

Reserves Policy

The charity relies predominantly on amounts received from residents to run the home. This is supplemented by regular supporters and periodic legacies. To ensure financial stability, the charity's policy is to endeavour to maintain a minimum of three months operating expenditure in free reserves (approximately £330,000). The trustees regularly monitor actual income and expenditure and the reserves policy will be reviewed along with the preparation of each Annual Budget.

Following several difficult years, a reserve of over £100k was re-established in 2015/16 and the Trustees have sought this year to maintain that reserve figure whilst catching up on investment in the property, technology and training. In the event, free reserves fell slightly from £113.3k to £102.7k after allowing for depreciation of £26.4k. Cash at bank and in hand increased from £190.2k to £214.2k.

Subsequent Events and Plans for the Future

During the year, the considerable attention has been given to ensuring that the highest levels of care, for which Koinonia has a very high reputation, are not only maintained but made more robust. The Management have invested heavily in additional training and Care Plans have increasingly been automated to improve access and efficiency. The Trustees are also working on establishing a fund to provide financial assistance to elderly Christians and their carers in the Worthing area.

Structure, Governance and Management

Governing Document

Koinonia Christian Care is a charitable company limited by guarantee, incorporated on 29th January 2010 and registered as a charity on 9th April 2010.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The Articles set out a Statement of Faith, which all members and officers must subscribe to. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company became operational on 1st February 2010, when all the activities, assets and liabilities of Koinonia (Sussex) Limited, a company registered under the Industrial and Provident Societies Act 1965 were transferred.

Structure

The trustees meet regularly to oversee the running of activities. Daily management is delegated to the Registered Care Home Manager, Phyllis Alabaster.

Trustee Recruitment and Induction

Trustees are recruited from interested Christians in the local area. The Charity Commission "Responsibilities of Charity Trustees (CC3)" booklet and background documentation for the charity are given to new trustees and further induction and training given if necessary.

Pay policy for senior staff

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year.

**KOINONIA CHRISTIAN CARE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2017**

The pay of the senior staff is reviewed annually and normally increased in accordance with cost of living. In view of the nature of the charity, the directors consider pay levels in other care homes of a comparable size. The remuneration bench-mark is decided after considering the above.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed and where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Procedures and policies are in place to ensure compliance with health and safety of staff, residents, and visitors to the rest home.

The principle Risks and Uncertainties facing Koinonia are:-

		IMPACT	LIKELIHOOD	RISK RATING
		1=low 5=high	1=low 5=high	
1	Local Authority Funding Shortfall	5	5	25
2	General Reduction in Occupancy	4	5	20
3	Over reliance/dependence on key management	4	2	8
4	Staff adherence to Policies and Procedures	4	2	8

Plans and Strategies for Managing those Risks and Uncertainties:-

	Risks Addressed
A Mentoring and Management Skills training for Management	3
B Develop the Koinonia (Community) Foundation Concept	1: 2;
C Increase Expenditure on the Building and Facilities	2;
D Increase Training and Supervision of Staff	4;

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the financial activities of the charity for that period. 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 judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against loss or unauthorised use and to prevent and detect fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

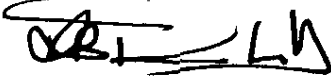
**KOINONIA CHRISTIAN CARE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2017**

Auditors

The auditors, BD&M Limited have expressed their willingness to continue in office and a proposal for their re-appointment will be made at the Annual General Meeting in accordance with Section 487 of the Companies Act 2006.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On Behalf of The Board

A handwritten signature in black ink, appearing to read 'R. Turnbull', is written over a horizontal line.

**Robin Turnbull
Chair**

13th September 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF KOINONIA CHRISTIAN CARE

We have audited the financial statements of Koinonia Christian Care for the year ended 31st March 2017 set out on pages 7 to 14. 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements


In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2017 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 (applicable to smaller entities); and
- have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.


BD&M Ltd

Statutory Auditors

Date: 13th September 2017

Skies, 20 St Martinsfield
Winterborne St Martin
Dorchester
Dorset DT2 9JU

KOINONIA CHRISTIAN CARE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE) FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted funds £	Designated funds £	Total 2017 £	2016 £
Income					
Donations and legacies	2	5,256	-	5,256	22,025
Charitable activities: Domiciliary care fees		1,329,034	-	1,329,034	1,245,186
Investment income (Bank interest)		71		71	80
Total income		<u>1,334,361</u>	<u>-</u>	<u>1,334,361</u>	<u>1,267,291</u>
Expenditure					
Charitable activities	3	1,318,620	-	1,318,620	1,124,334
Total expenditure		<u>1,318,620</u>	<u>-</u>	<u>1,318,620</u>	<u>1,124,334</u>
Net income for the year		15,741	-	15,741	142,957
Gross transfers between funds		(26,370)	26,370	-	-
Net movement in funds		<u>(10,629)</u>	<u>26,370</u>	<u>15,741</u>	<u>142,957</u>
Reconciliation of funds					
Total funds at 1st April 2016		113,317	2,888,172	3,001,489	2,858,532
Total funds at 31st March 2017		<u>102,688</u>	<u>2,914,542</u>	<u>3,017,230</u>	<u>3,001,489</u>

All amounts derive from continuing activities.

All gains and losses recognised in the period are included in the statement of financial activities.

The notes on pages 10 to 14 form part of these financial statements

KOINONIA CHRISTIAN CARE**BALANCE SHEET**
AS AT 31st MARCH 2017

	Notes	2017		2016	
		£	£	£	£
Fixed Assets					
Tangible assets	5		2,914,542		2,888,172
Current Assets					
Debtors	6	55,305		50,507	
Cash at bank and in hand		214,189		190,231	
		<u>269,494</u>		<u>240,738</u>	
Creditors: Amounts falling due within one year	7	<u>(166,806)</u>		<u>(127,421)</u>	
Net Current Assets			102,688		113,317
Total assets less current liabilities			<u>3,017,230</u>		<u>3,001,489</u>
Net Assets			<u>3,017,230</u>		<u>3,001,489</u>
The funds of the charity:					
Designated funds	8		2,914,542		2,888,172
General fund	8		102,688		113,317
Total Charity Funds			<u>3,017,230</u>		<u>3,001,489</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and in accordance with FRS 102 SORP. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 in respect of accounting records and preparation of accounts.

Whilst the company is exempt from audit under Section 477 of the Companies Act 2006 relating to small companies and the members have not required an audit under section 476 of the Act, the company is subject to audit under section 43 of the Charities Act 2006.

The Financial statements were approved by the board on 13th September 2017.


R Turnbull - Trustee

The notes on pages 10 to 14 form part of these financial statements

KOINONIA CHRISTIAN CARE
STATEMENT OF CASH FLOWS AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
Net cash flow from operating activities	12		66,033		158,237
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(42,004)		(32,211)	
Interest received		<u>(71)</u>		<u>(80)</u>	
Net cash flow from investing activities			(42,075)		(32,291)
Cash flow from investing activities					
Repayment of long term loans			-		(21,370)
Net increase / (decrease) in cash and cash equivalents			<u>23,958</u>		<u>104,576</u>
Cash and cash equivalents at 1st April 2016			190,231		85,655
Cash and cash equivalents at 31st March 2017			<u>214,189</u>		<u>190,231</u>

The notes on pages 10 to 14 form part of these financial statements

**KOINONIA CHRISTIAN CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017**

1 Accounting policies (continued)

1.7 Pension contributions

The charity contributes to individual staff personal pension plans in accordance with their contracts of employment. Contributions payable for the year are included in the Statement of Financial Activities.

1.8 Finance and operating leases

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

1.9 Transition to FRS 102

There was no need to restate the opening fund balances at the date of transition to FRS102. The transition date was 1st April 2016.

2 Donations and legacies

	Total 2017 £	2016 £
Donations and gifts	5,256	8,242
Bequests	-	13,783
	<u>5,256</u>	<u>22,025</u>

3 Charitable activities

	Charitable Activities £	Support Costs £	Total 2017 £	2016 £
Domiciliary care provision	<u>1,279,525</u>	<u>39,095</u>	<u>1,318,620</u>	<u>1,124,334</u>
<u>Natural classification:-</u>				
Staff costs	1,066,798	-	1,066,798	902,040
Resident costs	17,483	-	17,483	17,885
Housekeeping	73,489	-	73,489	66,088
Property costs	62,205	2,280	64,485	56,183
fixtures & equipment	30,049	-	30,049	29,955
Operating leases - equipment	8,344	-	8,344	6,194
CQC	5,523	-	5,523	4,967
Office costs	-	27,695	27,695	19,117
Doubtful debts	-	-	-	626
Loan interest	-	-	-	814
Depreciation	15,634	-	15,634	14,494
<u>Governance costs</u>				
Auditor's remuneration	-	3,240	3,240	2,970
Legal and professional	-	5,880	5,880	3,001
	<u>1,279,525</u>	<u>39,095</u>	<u>1,318,620</u>	<u>1,124,334</u>

KOINONIA CHRISTIAN CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017

4 Employee costs

No remuneration or expenses were paid to trustees during the year. The costs of the remaining staff were:

	2017 £	2016 £
Wages and salaries	843,072	770,902
Social security costs	57,585	47,893
Pension contributions	10,159	3,701
	<u>910,816</u>	<u>822,496</u>

No employee earned more than £60,000 during the year. The average full time equivalent number of staff employed by the charity during the year was as follows:

	2017 No.	2016 No.
Care	28.35	28.20
Support	12.53	11.52
	<u>40.88</u>	<u>39.72</u>

The average number of staff employed (Headcount) 57.0 54.0

5 Tangible fixed assets

	Land and Buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1st April 2016	2,830,197	127,596	2,957,793
Additions	21,811	20,193	42,004
At 31st March 2017	<u>2,852,008</u>	<u>147,789</u>	<u>2,999,797</u>
Depreciation			
At 1st April 2016	-	69,621	69,621
Charge for the year	-	15,634	15,634
At 31st March 2017	<u>-</u>	<u>85,255</u>	<u>85,255</u>
Net book value			
At 31st March 2017	<u>2,852,008</u>	<u>62,534</u>	<u>2,914,542</u>
At 31st March 2016	<u>2,830,197</u>	<u>57,975</u>	<u>2,888,172</u>

The trustees have taken the option on the adoption of FRS 102 to treat revalued amounts included in land and buildings as deemed cost.

6 Debtors

	2017 £	2016 £
Fees owed	38,437	35,659
Gift Aid tax repayable	4,840	1,627
Other debtors and prepayments	12,028	13,221
	<u>55,305</u>	<u>50,507</u>

KOINONIA CHRISTIAN CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Instalments due on bank loan	-	-
Operational creditors	36,547	25,314
Social security and other taxes	12,439	11,512
Amounts invoiced in advance	109,082	81,498
Other creditors and accruals	8,738	9,097
	<u>166,806</u>	<u>127,421</u>

8 Funds

	Balance at 1 April 2016 £	Incoming resources £	Resources expended	Transfers £	Balance at 31 March 2017 £
Designated funds					
Capital fund	2,888,172	-	-	26,370	2,914,542
	<u>2,888,172</u>	<u>-</u>	<u>-</u>	<u>26,370</u>	<u>2,914,542</u>
General funds	113,317	1,334,361	(1,318,620)	(26,370)	102,688
	<u>3,001,489</u>	<u>1,334,361</u>	<u>(1,318,620)</u>	<u>-</u>	<u>3,017,230</u>

The Capital fund represents the net book value of fixed assets, less amounts borrowed to fund purchases.

9 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Unrestricted total £	Restricted funds £	Total funds £
Tangible fixed assets	-	2,914,542	2,914,542		2,914,542
Current assets	269,494	-	269,494	-	269,494
Creditors: amounts falling due	(166,806)	-	(166,806)	-	(166,806)
	<u>102,688</u>	<u>2,914,542</u>	<u>3,017,230</u>	<u>-</u>	<u>3,017,230</u>

10 Capital commitments

At 31st March 2017, there were no capital commitments (2016 £nil).

11 Operating lease commitments

At the year end the company has future minimum lease commitments as follows:

	2017 £	2016 £
Within one year	8,538	6,261
Later than 1 year and not later than 5 years	10,482	9,913
	<u>19,020</u>	<u>16,174</u>

**KOINONIA CHRISTIAN CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017**

12 Reconciliation of net income to net cash flow from operating activities

	2017	2016
	£	£
Net Income for year	15,741	142,957
Interest receivable	71	80
Depreciation and impairment of tangible fixed assets	15,634	14,494
(Increase) / decrease in debtors	(4,798)	(22,529)
Increase / (decrease) in creditors	39,385	23,235
Net cash flow from operating activities	<u>66,033</u>	<u>158,237</u>