

125367



THE
REDWOODS
CARING
FOUNDATION

ANNUAL REPORT and ACCOUNTS 1999/2000



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COMPANIES HOUSE 15/02/01

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Company Registered in Scotland
No. 125367 SC 013566

THE REDWOODS CARING FOUNDATION

Company registered in Scotland no. 125367

(Limited by Guarantee)

MISSION STATEMENT

The Redwoods Caring Foundation (which is the social care extension of Edinburgh City Fellowship, an established local church) is committed to providing for vulnerable people who require care and support, a sensitive flexible range of services, both residential and community based, where people will be encouraged and assisted to reach their maximum individual potential in terms of their spiritual, emotional and physical well-being.

BANKERS

Bank of Scotland
Dalry Road Branch
1 Ardmillan Terrace
Edinburgh EH11 2JN

SOLICITORS

McClure Naismith Anderson & Gardiner
49 Queen Street
Edinburgh EH2 1AW

ACCOUNTANT

William Davidson
Inchgarvie
68 Edgehead Road
Edgehead
PATHHEAD
Midlothian EH37 5RJ

AUDITOR

Neil C Andrew
2 Murieston Road
Edinburgh EH11 2JH

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

DIRECTORS' REPORT 1999/2000

Review

As we move from one century to another we are so conscious of the importance of new beginnings. In Redwoods, during 1999/2000 we have seen both the endings of some things and the start of new ones.

Since, in Redwoods, we seek to tailor and design the support/service that we offer people around the needs, aspirations and dreams of the people we seek to work alongside – we have had to be a malleable workforce!

It has been a tremendous privilege and challenge to stand with people as they take more and more steps in determining their future. For some this has meant moving into their own flat – for others it has meant moving from the Day Centre to college and a part time job. Whatever the steps have been, however big or small the resilience, determination and energy demonstrated by people has been quite remarkable.

Staff teams in Redwoods have been stretched and challenged as they have sought to be more creative and innovative in their delivery of care. Each individual person or the various staff teams has a corporate vision for those people they work alongside. This vision is to see them move into greater freedom – whether in communication, mobility or life style – seeing them realise the goal and plans that people express.

The staff teams are to be commended for their unswerving commitment to the vision God has called them to participate in a vision, which is to see the power of God released into the lives of the people we care for.

On November 8th Steven Brown stood down as Chairman of the Board of Directors. His acumen and diligent oversight over the last seven years have been a tremendous benefit and blessing to the Foundation and he will be sadly missed.

It has been a pleasure to welcome on March 1st 2000 Mel Clarke who has been appointed as Financial Advisor to the Board of Directors.

Financial Results

The year has seen a surplus of £64,729. There has been an overall increase of net assets to £280,515.

Connected Charity

As a local response to the emphasis on 'Care in the Community' for vulnerable people who require practical care and support, the Redwoods Caring Foundation was formed as the social care extension of Edinburgh City Fellowship, an established local church.

Directors

The directors who served during the year were Steven Brown W.S., Chairman; Jeanette Godward R.G.N., Operations Director; Rosalind Brown R.G.N., M.Sc.; Brian Hayes A.M.B.C.; Shirley Hayes.

Registered Office:
73B Kirk Brae
Edinburgh EH16 6JN

By order of the Board

 Jeanette Godward

Jeanette Godward
Director

Date:

28/09/00

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR'S REPORT TO THE MEMBERS OF
THE REDWOODS CARING FOUNDATION
(Company Limited by Guarantee)

We have audited the financial statements on pages 6 to 12, which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

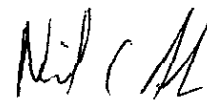
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion, the company is entitled for the year ended 31 March 2000 to the exemption conferred by S248 of the Companies Act 1985 from the requirement to prepare group accounts.

Date: 28.09.00



Neil C Andrew
Registered Auditor
2 Murieston Road
Edinburgh

THE REDWOODS CARING FOUNDATION

Company Limited by Guarantee

STATEMENT OF FINANCIAL AFFAIRS for the year ended 31 March 2000

	Note	2000			1999
		£ Unrestricted Funds	£ Restricted Funds	£ Total Funds	£ Total Funds
Incoming Resources	2				
Donations & Appeals		19,264	13,459	32,723	30,153
Collecting Boxes		18	0	18	120
Fundraising Events		0	0	0	0
Income Tax Refunds		1,694	0	1,694	3,858
Social Work Dept		0	729,913	729,913	692,414
DSS / Client Income		0	177,461	177,461	163,740
Rent / Building usage		10	0	10	0
Interest Receivable		0	250	250	1,346
Total Incoming Resources	15	<u>20,986</u>	<u>921,083</u>	<u>942,069</u>	<u>891,630</u>
Resources Expended					
Direct Charitable Expenditure		91,837	773,587	865,424	842,262
Interest Payable		369	9,714	10,083	19,076
Fundraising		0	0	0	0
Audit fees		0	1,833	1,833	1,833
Total Resources Expended	15	<u>92,206</u>	<u>785,134</u>	<u>877,340</u>	<u>863,171</u>
Net Incoming/(Outgoing) Resources before transfers		<u>(71,220)</u>	<u>135,949</u>	<u>64,729</u>	<u>28,459</u>
Transfers between funds		109,777	(109,777)	0	0
Net Incoming/(Outgoing) Resources	15	<u>38,556</u>	<u>26,173</u>	<u>64,729</u>	<u>28,459</u>
Fund balances brought forward at 1 April 2000	15	<u>50,183</u>	<u>165,603</u>	<u>215,786</u>	<u>187,327</u>
Fund balances carried forward at 31 March 2000		<u>88,739</u>	<u>191,776</u>	<u>280,515</u>	<u>215,786</u>

The notes on pages 9 to 14 form part of these accounts

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2000

		2000 £	1999 £
INCOME	2	941,819	890,284
OPERATING COSTS		<u>(867,257)</u>	<u>(844,095)</u>
OPERATING SURPLUS / (DEFICIT)		74,562	46,190
INTEREST RECEIVABLE	8	250	1,346
INTEREST PAYABLE	9	<u>(10,083)</u>	<u>(19,076)</u>
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR		64,729	28,459
BALANCE BROUGHT FORWARD	15	<u>215,786</u>	<u>187,327</u>
BALANCE CARRIED FORWARD		<u>280,515</u>	<u>215,786</u>

All amounts relate to continuing operations.
There are no recognised gains or losses other than the profit for the year.

The notes on pages 9 to 14 form part of these accounts

THE REDWOODS CARING FOUNDATION

Company Limited by Guarantee

BALANCE SHEET as at 31 March 2000

	Notes	2000		1999	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		363,782		374,853
CURRENT ASSETS					
Stock		1,781		582	
Debtors	11	46,100		55,381	
Deposit Account		6,254		8,400	
Unit imprest accounts		2,167		2,357	
Cash in hand		<u>859</u>		<u>734</u>	
		57,160		67,454	
CREDITORS					
Amounts falling due within one year	12	<u>(117,627)</u>		<u>(158,721)</u>	
NET CURRENT LIABILITIES			<u>(60,467)</u>		<u>(91,267)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			303,315		283,586
CREDITORS					
Amounts falling due after more than one year	12		<u>(22,800)</u>		<u>(67,800)</u>
NET ASSETS			<u>280,515</u>		<u>215,786</u>
 CAPITAL AND RESERVES	 13				
Unrestricted funds			88,739		50,183
Restricted funds			<u>191,776</u>		<u>165,603</u>
			<u>280,515</u>		<u>215,786</u>

Approved by the board on (date) 28/09/00
and signed on its behalf by:



Jeanette Godward
(Director)

The notes on pages 9 to 12 form part of these accounts

THE REDWOODS CARING FOUNDATION

Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2000

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the Company's affairs.

a) Accounting convention

The financial statements are prepared under the historical cost convention.

b) Fixed assets and depreciation

Fixed assets are stated at cost and are written off over their estimated useful lives on a straight line basis at the following rates:

Freehold land and buildings	2%
Leasehold improvements	Over the length of the lease
Furnishings and equipment	25%
Motor Vehicles	25%

c) Income

Income comprises funding from central and local government, plus donations and grants and other income derived from fundraising. All income is credited to the Profit and Loss Account in the year it is received.

d) Taxation

The Redwoods Caring Foundation has been given charitable status and exemption from Income Tax under Section 505 of the Income and Corporation Taxes Act 1988.

e) Refurbishment Expenditure

In order that the Net Book Value of Redwoods House remains in line with the current market value, all expenditure on the refurbishment of Redwoods House during 1993 and 1994 was charged to the Profit and Loss Account in the year it was incurred. During the period 1995/96 part of the refurbishment costs incurred were capitalised in line with the increased market value.

2. INCOME

The analysis of income by source was as follows:

	2000			1999
	£	£	£	£
	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
Donations & Appeals	19,264	13,459	32,723	30,153
Collecting Boxes	18	0	18	120
Fundraising events	0	0	0	0
Social Work Districts	0	729,913	729,913	692,414
Client / DSS Income	0	177,461	177,461	163,740
Rent / Building usage	10	0	10	0
Income Tax refunds	1,694	0	1,694	3,858
	<u>20,986</u>	<u>920,833</u>	<u>941,819</u>	<u>890,284</u>

3.	SURPLUS ON ORDINARY ACTIVITIES	2000	1999
		£	£
	Surplus on ordinary activities is stated after charging the following:		
	Depreciation (including gain on disposable assets) (Note 10)	12,711	19,283
	Auditors' remuneration	1,833	1,833
	Staff costs (Note 4)	666,867	641,580

4. STAFF PARTICULARS

	£	£
Staff costs comprised:		
Salaries	600,841	571,647
Social Security costs	51,075	54,104
Pension costs	<u>14,950</u>	<u>15,828</u>
	<u>666,867</u>	<u>641,580</u>

The number of employees at the year end was as follows (Whole time equivalent):

Managerial	2.00	2.00
Care Workers	31.60	37.45
Caretaker/Domestic	2.30	2.30
Administration	1.60	1.00
Fundraising	<u>0.00</u>	<u>0.00</u>
	<u>37.50</u>	<u>42.75</u>

5. RELATED PARTY TRANSACTIONS

Related party transactions with Edinburgh City Fellowship during the year consisted of the following:

	2000	1999
	£	£
Donation from Edinburgh City Fellowship	13,586	1,414
Shared salary of treasurer	<u>7,375</u>	<u>7,000</u>
	<u>20,961</u>	<u>8,414</u>

6. DIRECTORS' EMOLUMENTS

Two directors are employed in managerial capacities, and are included in Note 4 above.
All salaries fall in the lowest £0 - £40,000 band.

	£	£
Salaries	45,279	49,053
Social Security costs	5,074	4,906
Pension costs	<u>2,010</u>	<u>1,968</u>
	<u>52,364</u>	<u>55,927</u>

7. PENSION COSTS

All employees are encouraged to contribute to their own Personal Pension Plan. The company makes an additional contribution, currently 4% of salary, after 2 years of continuous employment.

8. INTEREST RECEIVABLE

	£	£
This represents interest receivable on bank deposits:	250	1,346

9. INTEREST PAYABLE AND SIMILAR CHARGES

	£	£
Interest payable and similar charges comprised:		
On bank overdraft wholly repayable within five years	3,097	6,448
Interest on other loans	<u>6,986</u>	<u>12,629</u>
	<u>10,083</u>	<u>19,076</u>

10. TANGIBLE FIXED ASSETS

	<u>Freehold Land & Buildings</u>	<u>Leasehold Improve- ments</u>	<u>Furnish- ings & Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
COST					
Opening Balance	417,553	21,590	45,276	10,000	494,419
Additions	0	0	1,639	0	1,639
Disposals	0	0	0	(10,000)	(10,000)
Closing Balance	<u>417,553</u>	<u>21,590</u>	<u>46,915</u>	<u>0</u>	<u>486,058</u>
AGGREGATE DEPRECIATION					
Opening Balance	58,785	14,806	35,973	10,000	119,565
Charge for year	8,175	799	3,737	0	12,711
Charged on disposal	0	0	0	(10,000)	(10,000)
Closing Balance	<u>66,961</u>	<u>15,605</u>	<u>39,710</u>	<u>0</u>	<u>122,276</u>
NET BOOK VALUE					
Opening Balance	<u>358,768</u>	<u>6,784</u>	<u>9,302</u>	<u>0</u>	<u>374,853</u>
Closing Balance	<u>350,593</u>	<u>5,985</u>	<u>7,205</u>	<u>0</u>	<u>363,782</u>

Freehold Land and Buildings

The estimated market values of the three freehold properties are as follows:

Redwoods House, Newbattle Road, Newtongrange	(valued August 1995)	£250,000
Redwoods House - Caretaker's house	(valued March 1996)	£60,000
12 Paisley Drive, Edinburgh	(valued August 1999)	£165,000

Note: Redwoods House was valued at £400,000 provided that contracts with the Social Work Department remain in place, and the property continues in charitable use. However, for the purposes of the accounts, the property valuation alone has been included.

There is a Standard Security in favour of the Secretary of State for Scotland for the grant provided for the refurbishment of Redwoods House to the sum of £267,843 if Redwoods ceases to provide residential care accommodation within 15 years from May 1995. This security is postponed to the Bank of Scotland.

	2000	1999
11. DEBTORS		
	£	£
Sundry Debtors	15,435	15,305
Accrued income	19,750	39,363
Prepayments	<u>10,914</u>	<u>713</u>
	<u>46,100</u>	<u>55,381</u>

The amount of debtors falling due after more than one year was £782.39. (1999 : £ nil)

	<u>Amounts falling due within one year</u>		<u>Amounts falling due after more than one year</u>	
	2000	1999	2000	1999
	£	£	£	£
Bank - current account	38,201	80,665	0	0
Trade creditors	26,242	26,010	0	0
Other creditors and term loans	<u>53,183</u>	<u>52,046</u>	<u>22,800</u>	<u>67,800</u>
	<u>117,627</u>	<u>158,721</u>	<u>22,800</u>	<u>67,800</u>

The bank overdraft and term loans are secured by a charge over the company's properties.

The Building account was used to fund the building of the caretaker's house at Redwoods House

- converted into a term loan that was paid off this year, and appearing as part of 'Other Creditors'

"Other creditors and term loans" include:

- Redwoods House: Term Loan of £150,000 taken over 5 years from December 1995.
- Redwoods House: Deferred capital payment of £15,280
- 12 Paisley Drive: Term Loan of £40,000 taken over 10 years from December 1995
- 41 Reed Drive: Term Loan of £20,000 taken over 3 years from June 1998 for furnishing the property

13. LEASE COMMITMENTS

2000 1999

The company had operating leases commitments to pay during the next year in respect of property, vehicle and equipment leases:

	£	£
Expiring between two and five years	12,594	7,126
Expiring in more than five years	8,355	8,355
	<u>20,949</u>	<u>15,481</u>

14. CAPITAL AND RESERVES

	2000			1999
	£	£	£	£
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Opening Balance	50,183	165,603	215,786	187,327
Retained surplus / (deficit) for the year	<u>38,556</u>	<u>26,173</u>	<u>64,729</u>	<u>28,459</u>
Closing balance	<u>88,739</u>	<u>191,776</u>	<u>280,515</u>	<u>215,786</u>

15. RESTRICTED FUNDS

Each residential and day services unit is separately funded, and consequently each unit is treated as a Restricted Fund.

Unit/Fund	Balance	Movement in Funds			Balance
	at 1 Apr '99	Incoming Resources	Outgoing Resources	Fund Transfers	at 31 Mar '00
	£	£	£	£	£
Telferton	2,385	120,020	(110,178)	(11,695)	532
Paisley Drive	62,096	165,783	(143,286)	(13,790)	70,802
Ash Lea	17,189	227,643	(202,211)	(36,358)	6,263
The Beeches	21,975	273,941	(237,916)	(38,893)	19,107
Oakview	(713)	113,511	(91,543)	(9,040)	12,216
Elderly	<u>8,424</u>	<u>250</u>	<u>(2,396)</u>	<u>0</u>	<u>6,278</u>
	<u>111,356</u>	<u>901,148</u>	<u>(787,530)</u>	<u>(109,777)</u>	<u>115,198</u>

It should be noted that balances carried forward on each unit are not cash balances, but part of the capital funds tied up in the fixed assets required to run the unit.