

Preston Bethany Care
(A company limited by guarantee)
Report and Financial Statements
For the Year Ended 31 March 2015

Charity Number: 1140242
Company Number: 07394756

Montpelier Audit Limited
Statutory Auditor
Charter House
Pittman Way
Preston
Lancashire
PR2 9ZD

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COMPANIES HOUSE

PRESTON BETHANY CARE

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PRESTON BETHANY CARE

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name: Preston Bethany Care

Charity Number: 1140242

Company registration number: 7394756

Registered office and operational address Bethany House
Gamull Lane
Ribbleson
Preston
PR2 6TQ

Operating name Bethany House

Trustees Mrs J Kay (Chairperson)
Mr S W Rogers (Secretary)
Dr P Johns (Treasurer)
Mr P Billsborough
Mr A Wright
Mr D Leeming (Resigned 4 November 2014)
Miss M Hargreaves
Mr E Holland
Mr J Henderson

Home Manager: Mrs G Whitfield

Bankers: HSBC Bank plc
49a Fishergate
Preston PR1 8BQ

Kingdom Bank
Ruddington Fields Business Park
Mere Way
Ruddington
Nottingham NG11 6JS

PRESTON BETHANY CARE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers:

Cumberland Building Society
90 Fishergate
Preston PR1 2NJ

Furness Building Society
51-55 Duke Street
Barrow in Furness
Cumbria LA14 1RT

Virgin Money
Jubilee House
Gosforth
Newcastle upon Tyne NE3 4PL

Solicitors:

Napthens LLP
7 Winckley Square
Preston
PR1 3JD

Auditor:

Montpelier Audit Limited
Statutory Auditor
Charter House, Pittman Way
Fulwood
Preston
PR2 9ZD

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

The trustees are pleased to present their annual report, together with the audited financial statements of the charity for the year ended 31 March 2015, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes; and confirm that the latter comply with the requirements of the Act, the Articles of Association and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2nd October 2010 and registered as a charity in February 2011. 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. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The company was formed to take the assets and responsibility for management of the residential care home Bethany House. This was previously operated for many years by Preston Bethany Trust, a charity founded in March 1981. On 1st April 2011 the assets and responsibility for management of Bethany House was transferred from Preston Bethany Trust to Preston Bethany Care, and subsequently Preston Bethany Trust was removed from the Charity Commission register of charities.

Organisational Structure and Management

The Trustees of the Company (6-9 trustees) act as the management committee of Bethany House. They meet at least four times per year and at each meeting receive reports from the Manager, Treasurer (financial report) and Home Inspection Report. Any other managerial and planning issues are also dealt with. The Manager's report and Treasurer's report are circulated prior to the meeting. The Manager and certain other staff members are also invited to attend these meetings on a non-voting basis.

The day to day affairs of Bethany House are dealt with by the Manager, with input from the Chairman, or Treasurer as appropriate. Staff are appointed by the Manager, with input by Trustees where appropriate, and are employed to cater for the material needs of the residents. A large number of volunteers from many churches in and around Preston assist in catering for the spiritual needs of the residents.

Staff training carries a high priority, and all staff are encouraged to take NVQ courses at an appropriate level. Protocols are in place dealing with protection of vulnerable adults, handling of complaints by residents or their representatives, staff discipline, financial controls within the home, Health and Safety issues etc. Many of these are requirements of registration with the appropriate external bodies. All staff are subjected to a DBS check before commencing employment.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

Trustee recruitment, induction and training

The charity trustees are also the company directors for the purposes of company law. Trustees are elected to serve for a period of three years after which they must be re-elected. All trustees give their time voluntarily and receive no benefit from the charity.

On appointment all are inducted in the workings of the charity and provided with the last accounts and minutes of trustee meetings. Information on the role and responsibilities of a trustee is given by provision of appropriate Charity Commission information. All trustees receive a DBS check prior to taking up responsibilities.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. Specific risks, and the appropriate systems and procedures to mitigate these risks, are as follows:-

Closure of the home due to fire or other damage. The insurance policy covers loss of income due to foreseeable risks.

Closure of the home by external bodies. The home is currently registered with the Care Quality Commission which is reviewed annually. An unannounced inspection took place in July 2013, when the CQC found that the 5 standards examined on that occasion (out of a total of 16) were all met. The home is contracted with Lancashire County Council to provide residential care for elderly residents. The home renewed the Investors in People Standard for a further three years in May 2014. It also achieved ISO9001 certification in January 2014. This certification lasts for three years. These items identify some measure of the quality of the home.

Loss of computer held data. Regular daily backups are made of all data, to an external location.

Loss of income due to falling occupancy. The trust monitors occupancy levels (generally in excess of 95%) in planning budgets, staffing levels and future developments.

Changes in Government Funding arrangements. At the time of writing, the government is still in the planning stage with respect to future funding of residential care. However the trustees are careful to note any financial implications which proposed changes may have on the financial viability of the trust.

Whilst the impact of the new Government Funding arrangements are difficult to predict, the payments by LCC for funded residents have not kept pace with inflation for several years. The trustees have attempted to maintain the same high standard of care during this period, but they are aware that the advent of the National Living Wage from April 2016, and the auto-enrolment of staff in Workplace Pension Schemes will put further pressure on the financial situation of the home.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

OBJECTIVES, AIMS AND ACTIVITIES

Preston Bethany Care (PBC) Objectives and Aims

Bethany House is a comprehensively equipped residential care home for the elderly, managed by Preston Bethany Care. It is the objective of Bethany House to provide care to all residents to a standard of excellence which embraces fundamental principles of Good Care Practice, and that this may be witnessed and evaluated through the practice, conduct and control of quality care in the home.

Bethany House is a Christian Home, and a secondary object is that PBC uphold the principles outlined in the Statement of Faith of the Evangelical Alliance. Respect and assistance are given to enable each resident to follow their faith in the home and to encourage participation in the local church of their particular denomination.

PBC's objective is that residents shall live in a clean, comfortable and safe environment, and be treated with respect and sensitivity to their individual needs and abilities. Staff will be responsive to the individual needs of residents and will provide the appropriate degree of care to assure the highest possible quality of life within the home.

To meet these client needs the care service within the home is designed to achieve the following objectives:

To deliver a service of the highest quality that will improve and sustain the resident's overall quality of life. In this respect the care service is designed to meet the present and future requirements of the appropriate inspectorates, in a people-oriented fashion.

To ensure that the care service is delivered flexibly, attentively and in a non-discriminatory fashion while respecting each resident's right to independence, privacy, dignity, fulfilment, and the rights to make informed choices and to take risks.

To ensure that each resident's needs and values are respected in matters of religion, culture, race or ethnic origin, sexuality and sexual orientation, political affiliation, marital status, parenthood and disabilities or impairments.

To ensure that the care service in whole is delivered in accordance with agreed Contracts for Care.

To manage and implement a formal programme of staff planning, selection, recruitment, training and personal development to enable resident's care needs to be met.

To manage the care service efficiently and effectively to make best use of resources and to maximise value for money for the residents.

To ensure that all residents receive written information on the home's procedure for handling complaints, comments and compliments, and how to use it.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

Fundamental Ethos of PBC

It is a fundamental ethos that those residents who live in Bethany House should be able to do so in accordance with the home's Statement of Values set out below.

CORE VALUES OF CARE		
PRIVACY	DIGNITY	RIGHTS
INDEPENDENCE	CHOICE	FULFILMENT
SECURITY	RESPECT	EQUALITY

Bethany House aims to provide its residents with a secure, relaxed, and homely environment in which their care, well-being and comfort is of prime importance.

Carers will strive to preserve and maintain the dignity, individuality and privacy of all residents within a warm and caring atmosphere, and in so doing will be sensitive to the residents' ever changing needs. Such needs may be medical / therapeutic (for physical and mental welfare), cultural, psychological, spiritual, emotional and social, and residents are encouraged to participate in the development of their individualised care plans in which the involvement of family and friends may be appropriate and is greatly valued.

This will be achieved through programmes of activities designed to encourage mental alertness, self-esteem, and social interaction with other residents and with recognition of the core values of care, which are fundamental to the philosophy of our home.

All care staff within the home will be appropriately qualified to deliver the highest standards of care. A continuous staff-training programme is implemented to ensure that these high standards are maintained in line with the latest initiatives and developments in care practices as may be laid down in appropriate legislation.

Objectives For The Year

To fulfil the aims and objectives in the statement of purpose and to consolidate on developments in the preceding year and to maintain the business stability.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

Strategies To Achieve The Year's Objectives

This has been achieved by maintaining a high level of occupancy and implementing strategies to maintain consistency in the way we report and record information.

The home is dedicated to the provision of the finest care for its Residents. This will be achieved through the integration of efficient administrative practices with first class standards of care in accordance with the newly published requirements for registration with the Care Quality Commission and appropriate supplementary regulations.

Accordingly, the home has been established with a quality-orientated approach to care. A high degree of quality awareness is developed through all levels of staff through appropriate training and management. To reinforce this, it is the policy of the management that Bethany House shall continue to comply with the requirements of Investors In People in personnel matters and the requirements of ISO 9001 as a quality standard.

Public Benefit

The charity trustees have complied with their duty to have regard to the guidance on public benefit as published by the Charity Commission in exercising their powers or duties.

It should also be pointed out that the costs of building Bethany House were largely met by gifts received by Preston Bethany Trust (so incurring no repayment or interest costs), and since that time Bethany House has been managed by trustees on a voluntary basis. This means that all residents receive a significant benefit because the costs of running Bethany House are effectively subsidised by the very fact that it has always been owned and managed by a charitable organisation. Of course the level of this effective subsidy is not measurable.

In addition, the trustees have given due consideration to the findings of the Charity Commission who have published findings of Public Benefit investigations into three Care Home charities (published on the Charity Commission web site) and have taken note of recent announcements following legal pronouncements with respect to public benefit. Bethany House has no set proportion of the number of publicly funded residents compared to the number of privately funded residents, in accord with the current objects of Preston Bethany Care to provide accommodation "according to their means" and it has always been our policy to accept entrants whose relatives cannot afford our small "Top up" fees. Because the top up fees contribute a small proportion of the total income, the trustees have not found it necessary to set aside funds to "subsidise" residents whose relatives are unable or unwilling to pay the top up fees. Thus ability to pay is not a consideration of acceptance of new residents into Bethany House.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of Bethany House

The home has the capacity to care for 26 residents and during the year under review PBC have maintained a high level of occupancy. There is a constant stream of visitors and officials visiting the home, with never a dull moment. The home is managed by a general manager together with senior carers and administrative support.

Developments

The financial stability has enabled PBC to continually upgrade the existing accommodation and to generally improve the environment of the home. Recent works have included installation of electro mechanical access gate and CCTV to the rear car park to enhance security of Bethany House, enhancements to the fire evacuation by the provision of an additional exit to the south wing, renewal of windows, refurb of small lounge, renewal of communal area lighting to improve lighting ambiance and reduce energy costs, renewal of tumble drier and a number of other smaller refurbishment replacements within bedrooms.

During early 2015 the Trustees held a series of meetings to explore the options related to the sale of the former Ribbleson Methodist Church site, opposite Bethany House. On this occasion the land was sold to an alternative purchaser.

The Trustees subsequently agreed that during the coming year a small team would be formed to explore/ prepare for any future development opportunities.

Future Plans

During the summer of 2015 the existing gas fired heating boilers are scheduled to be replaced.

The trustees have been discussing possible future developments, and PBC feel there is still a growing need for Christian care for elderly people who need residential care for a wide range of reasons. Current discussions involve consideration of the best way to achieve this objective.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Review

The accompanying audited accounts show a surplus for the year of £54,760. This surplus has been achieved through the high occupancy levels maintained during the year. Lancashire County Council have moved to a flat fee with enhancements for room size and quality instead of the previous fee banding system from April 2015. The third party top-up has been increased to compensate for a falling rate in real terms from the local authority.

The attached accounts show the current state of the finances which the trustees consider to be sound. The trustees are satisfied that the assets of the charity are available and adequate to fulfil the obligations of the Charity. They are also satisfied that the accounts comply with current statutory requirements and with the Trust Deed.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

Reserves Policy

In accordance with guidelines issued by the Charity Commission the level of reserves is considered and reviewed at regular intervals by the trustees. The trustees have adopted a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity, should be broadly equivalent to six months of expenditure, which for the current year would equate to £280,500. The free reserves (note 8) are £435,548. These reserves are of course needed to continue the current activities of the charity in the event of a significant drop in funding or occupancy levels.

Investment Policy

Under the Trust Deed, the charity has the power to invest any surplus liquid funds as the trustees see fit. The charity has had a policy of keeping such funds in short and medium term deposits which allows the charity to access some of the funds rapidly.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Preston Bethany Care for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 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 charitable company will continue in operation.

PRESTON BETHANY CARE

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2015

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 the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Montpelier Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company exemptions

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with special provisions relating to small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 10th September 2015.

Signed on behalf of the trustees



Janet Kay
Chairperson

PRESTON BETHANY CARE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTON BETHANY CARE FOR THE YEAR ENDED 31 MARCH 2015

We have audited the financial statements of Preston Bethany Care for the for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members 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 9, the trustees (who are also 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.

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 (APB'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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PRESTON BETHANY CARE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTON BETHANY CARE FOR THE YEAR ENDED 31 MARCH 2015

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 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosure of trustees' remuneration specified by law are not made; or
- we have not received all the financial information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' report.

Montpelier Audit Limited

Susan McDonald BSc, FCA, DChA
Senior Statutory Auditor
For and on behalf of
Montpelier Audit Limited, Statutory Auditor
PRESTON

Date: *28th October 2015*

PRESTON BETHANY CARE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE FOR THE YEAR ENDED 31 MARCH 2015

	Unrestricted Funds	
	2015	2014
	£	£
Incoming Resources From Charitable Activities:		
Residential Fees	608,013	609,937
Voluntary Income		
Donations & Other Income	2,660	558
Investment Income		
Bank deposit interest	5,417	5,142
Total Incoming Resources	616,090	615,637
Resources Expended:		
Charitable Activities		
Food & consumables	46,246	46,470
Staff costs (Note 3)	407,023	398,994
Heat & light	17,837	18,658
Water rates & council tax	6,694	8,069
Rest home insurance	3,514	2,885
Registration and other fees	3,913	3,549
Telephone	1,155	1,032
Printing, postage, stationery & advertising	2,347	2,646
Repairs & renewals	22,455	16,688
Motor expenses	789	551
Miscellaneous	3,627	3,937
Gardening	3,032	2,385
Clinical waste	5,130	4,832
Quality assurance costs	3,441	3,237
Training	4,315	2,204
Depreciation	20,943	17,006
Loss on disposal of fixed assets	-	660
Bank charges	32	32
	552,493	533,835
Governance Costs		
Accountancy services	4,759	5,621
Audit fee	3,240	3,240
Trustees insurance	471	468
Legal & professional fees	367	-
	8,837	9,329
Total Resources Expended (Note 4)	(561,330)	(543,164)
Net Income/(Expenditure)	54,760	72,473
Fund balances brought forward at 1 April 2014	844,026	771,553
Fund Balances Carried Forward (Note 8)	898,786	844,026

PRESTON BETHANY CARE

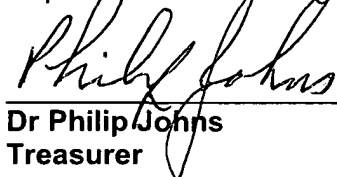
Company number 07394756

BALANCE SHEET AS AT 31 MARCH 2015

	Notes	2015		2014	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	5		463,238		461,557
Current Assets					
Debtors and prepayments	6	26,221		6,391	
Bank and cash balances		<u>437,229</u>		<u>411,678</u>	
		463,450		418,069	
Creditors: Amounts falling due within one year	7	<u>(27,902)</u>		<u>(35,600)</u>	
Net Current Assets			<u>435,548</u>		<u>382,469</u>
Total Assets Less Current Liabilities	9		<u>898,786</u>		<u>844,026</u>
Represented By:					
Unrestricted funds	8		<u>898,786</u>		<u>844,026</u>
			<u>898,786</u>		<u>844,026</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the trustees and authorised for issue on 10th September 2015 and signed on their behalf by;


Dr Philip Johns
Treasurer

Dated: 10th September 2015

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

1 STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are of a material nature in relation to the financial statements

Basis of accounts preparation

The Financial Statements have been prepared under the historical cost convention, the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities: The Charities SORP 2005.

Incoming resources

Resident fees are included on a receivable basis.

Grant income

Grant income is accounted for on a receivable basis in the period to which it relates.

Voluntary income

Donations of fixed assets are included at market value.

The value of services provided by volunteers has not been included.

Donations are recognised in the financial statements on a cash receipts basis and allocated to the appropriate fund in the Statement of Financial Activities.

Unrestricted funds

These are incoming resources receivable for the objects of the charity without further specified purpose and are available as general funds.

Designated funds

These are unrestricted funds set aside by the trustees at their discretion for a designated purpose or incoming resources where donors have expressed a preference without imposing a trust.

Restricted funds

Incoming resources subject to specific trusts, which must be expended on a specific purpose as set out by the donor. Expenditure which meets these criteria are charged to the fund.

Resources expended

Expenditure is accounted for on an accruals basis. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the home, and all the costs of complying with constitutional and statutory requirements, such as the cost of preparing statutory accounts and satisfying public accountability.

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Irrecoverable value added tax

As the Charity's activities are classified as exempt for the purposes of Value added tax, the Charity is unable to reclaim value added tax which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of Value added tax paid.

Fixed assets

Individual tangible fixed assets are capitalised at cost. The trustees do not apply a minimum value on items that will be recognised as fixed assets. The trustees review the fixed assets and the general décor of the home on a quarterly basis and implement a policy of repairs or replacement as necessary in the best interests of the charity.

Depreciation

Depreciation is provided at the following rates based on the estimated useful lives of the fixed assets and the anticipated residual value:-

Leasehold land and buildings		Over the life of the lease
Fixed plant	15%	p.a. straight line
Fixture & fittings and furniture & equipment	20%	p.a. reducing balance
Computer equipment	33 1/3%	p.a. straight line

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions are charged to the profit and loss account and included in staff costs.

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

2 NET INCOMING RESCOURCES

2015	2014
£	£

Net income for the year is arrived at after charging:

Depreciation of tangible fixed assets:

- leasehold property

5,759	5,837
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- owned assets

15,184	11,169
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Loss on disposal of fixed assets

-	(660)
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Auditor's remuneration for audit services

2,750	2,750
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Trustees liability insurance

471	468
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3 EMPLOYEES REMUNERATION

2015	2014
£	£

Staff costs were as follows:

Wages and salaries

384,842	377,261
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Pension contributions

1,631	1,581
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Social security costs

20,550	20,152
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407,023	398,994
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The average monthly number of employees during the year was as follows:

Management and administration

3	3
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Catering

6	6
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Care assistants/nurses

23	28
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32	37
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No employee earned £60,000 per annum or more.

4 ANALYSIS OF TOTAL RESOURCES EXPENDED

Note	Staff Costs £	Other £	Deprec- iation £	Total £
Charitable activities				
Care of residents	407,023	124,527	20,943	552,493
Governance costs		8,837		8,837
Total	407,023	133,364	20,943	561,330

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

5 FIXED ASSETS

	Long Leasehold Land and Buildings	Fixed Plant	Furniture and Equipment	Fixtures and Fittings	Computer Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2014	521,692	71,031	4,270	119,353	9,883	726,229
Additions	-	11,689	-	4,195	6,740	22,624
Disposals	-	-	-	-	(1,259)	(1,259)
At 31 March 2015	521,692	82,720	4,270	123,548	15,364	747,594
Depreciation						
At 1 April 2014	95,558	56,955	3,341	99,094	9,724	264,672
Charge for the year	5,759	7,775	185	4,919	2,305	20,943
Disposals	-	-	-	-	(1,259)	(1,259)
At 31 March 2015	101,317	64,730	3,526	104,013	10,770	284,356
Net Book Value						
At 31 March 2015	420,375	17,990	744	19,535	4,594	463,238
Net Book Value						
At 31 March 2014	426,134	14,076	929	20,259	159	461,557

6 DEBTORS

	2015 £	2014 £
These comprise:		
Residents fees	24,300	4,148
Prepayments and accrued income	1,501	1,823
Other debtors	420	420
	26,221	6,391

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Residents fees in advance	9,744	16,036
Trade creditors	6,720	8,435
Accruals	7,150	7,744
PAYE	4,288	3,385
	<u>27,902</u>	<u>35,600</u>

8 UNRESTRICTED INCOME FUND

	Balance at 31 March 2014 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2015 £
General Fund					
- Free reserve fund	382,469	616,090	(540,387)	(22,624)	435,548
Designated Fund					
- Property asset fund at cost	461,557		(20,943)	22,624	463,238
	<u>844,026</u>	<u>616,090</u>	<u>(561,330)</u>	<u>-</u>	<u>898,786</u>

The general fund is the 'free reserves' of the charity after allowing for all designated funds.

The designated property asset fund is the value of the unrestricted funds represented by the tangible fixed assets owned by the charity.

Transfers between funds arise when income is received which is required to be spent on fixed assets.

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

9 ANALYSIS OF NET ASSETS OF THE CHARITY

The fund balance at 31 March 2015 is represented by:

	Unrestricted Funds	
	2015	2014
	£	£
Tangible fixed assets	463,238	461,557
Cash at bank and in hand	437,229	411,678
Current assets	26,221	6,391
Current liabilities	(27,902)	(35,600)
	<hr/>	<hr/>
Total Net Assets	898,786	844,026
	<hr/>	<hr/>

10 TRANSACTIONS WITH TRUSTEES

Neither the trustees or persons connected with them have received any remuneration during the period.

Insurance premiums during the year amounting to £471 (2014: £468) were incurred by the charity in respect of indemnity insurance for the trustees.

The charity has not met any individual expenses incurred by the trustees for services provided to the charity, during the year.

11 AUDITORS REMUNERATION

	2015	2014
	£	£
Audit Services	2,750	2,750
Accountancy Services	2,552	4,023
Other Services	1,848	1,656
	<hr/>	<hr/>
	7,150	8,429
	<hr/>	<hr/>

PRESTON BETHANY CARE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015 (CONTINUED)

12 TAXATION

The charity is exempt from tax on its charitable activities.

13 COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of members in the event of a winding up is limited to £10 per member.