

Charity Registration No. 1140242

Company Registration No. 07394756 (England and Wales)

Preston Bethany Care

**Annual Report and
Unaudited Financial
Statements**

**For the Year Ended
31 March 2018**

THURSDAY



A08 *A7I9MSKX* 08/11/2018 #119
COMPANIES HOUSE



Montpelier
Chartered Accountants

PRESTON BETHANY CARE

LEGAL AND ADMINISTRATIVE INFORMATION

Operating name	Bethany House
Trustees	Ms J Kay (Chairperson) Mr A Wright Mr S Henderson (Treasurer) Dr P Johns Miss M Hargreaves Mr E Holland Mrs G Nixon-Smith (Appointed 14 November 2017) Miss S Etherington (Appointed 10 September 2018)
Home manager	Mrs G Whitfield
Charity number	1140242
Company number	07394756
Registered office and operation address	Bethany House Gamull Lane Preston Lancashire PR2 6TQ
Independent examiner	Susan McDonald BSc FCA DCHa Charter House Pittman Way Fulwood Preston Lancashire PR2 9ZD
Bankers	Kingdom Bank Ruddington Fields Business Park Mere Way Ruddington Nottingham NG11 6JS Cumberland Building Society 90 Fishergate Preston PR1 2NJ

PRESTON BETHANY CARE

LEGAL AND ADMINISTRATIVE INFORMATION

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

Virgin Money
Jubilee House
Gosforth
Newcastle upon Tyne
NE3 4PL

HSBC Bank Plc
49a Fishergate
Preston
Lancashire
PR1 8BQ

Solicitors

Napthens Solicitors
7 Winckley Square
Preston
Lancashire
PR1 3JD

PRESTON BETHANY CARE

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PRESTON BETHANY CARE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

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 Memorandum of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Preston Bethany Care operates Bethany House. 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 that upholds 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 and the individual personal care plan.

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. The directors continually aim to provide PBC staff with competitive salaries, suitably planned and managed rotas within a pleasant working environment.

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

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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 Bethany House.

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.

On Going Annual objectives (over and above the specific annual objectives)

Ensure that PBC maintains its dedication 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 requirements for registration with the Care Quality Commission and appropriate supplementary regulations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

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.

PRESTON BETHANY CARE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Bethany House has no set proportion of the number of publicly funded residents compared to the number of privately funded residents, in accordance with the current objectives 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 the ability to pay is not a consideration of acceptance of new residents into Bethany House.

Operational Performance of Bethany House

Bethany House 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, bringing with them much variety. The home is managed by a general manager together with newly appointed care managers and administrative support.

Developments

Year on year, financial stability has enabled PBC to continually upgrade the existing accommodation and to generally improve the environment of the Bethany House.

Achievements and performance

PBC achieved its 2017/18 objectives of:

Completing work on the new website.

The trustees have visited various Churches and have established contacts with potential new trustees.

The physical environment of Bethany House has been improved and maintained.

The objectives were achieved by maintaining the high level of occupancy, thus maintaining the income stream.

Financial review

The accompanying accounts show net income for the year of £90,622. This surplus has been achieved through the high occupancy levels maintained during the year.

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.

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 £318,172. The free reserves are £689,464 (note 13).

The need to obtain reasonable levels of reserves is considered important in the opinion of the board, not only in case of a significant drop in funding but also for potential future plans for the next phase of the charity's development. Furthermore, there are anticipated increases in labour costs as a result of Pensions Auto Enrolment and other suggested government changes. Overall, the combined effects of these changes are estimated to be around 7-8% of current wages costs in the accounts.

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.

PRESTON BETHANY CARE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Risk Review

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.

The last CQC inspection took place in March 2017. The home was awarded the rating of "GOOD" in all 5 key lines of enquiry, resulting in an overall rating of "GOOD".

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 March 2017. It also achieved ISO 9001 certification in January 2017. This certification lasts for three years. These items identify some measure of the quality of the home.

Loss of computer held data - computer data is backed up constantly using the Carbonite online backup service. This encrypted cloud storage allows password protected access to files from any browser, enabling them to be recovered.

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. Everyone strives to ensure that the best care possible is delivered.

Objectives for 2018/19:

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

Strengthen the board of directors of the charity to establish a team of individuals who will consolidate our current position and develop vision and strategy.

To continue to raise the profile of the charity in the Christian community and develop links with local churches.

Continue the improvements to the physical environment of Bethany House.

To strengthen the Christian profile of the organisation and develop pastoral care for residents, staff and the community.

Strategies to achieve the 2018/19 objectives:

Continue to approach churches within the Preston area with a view to promote an awareness of Preston Bethany Care and continue the search for new trustees.

New job role created "Pastoral and community worker" in August 2017 provided pastoral care for residents, staff and outreach to the local community. We continue to work on our action plan to clarify the Christian Ethos.

Directors' strategy meetings continue bi monthly to plan for the next steps in the development of the charity.

PRESTON BETHANY CARE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Structure, governance and management

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.

The trustees who served during the year were:

Trustees who are also directors for the purpose of company law:

Ms J Kay (Chairperson)

Mr A Wright

Mr S Henderson (Treasurer)

Dr P Johns

Mr P Billsborough (Secretary)

Resigned 31 December 2017

Miss M Hargreaves

Mr E Holland

Mrs G Nixon-Smith

Appointed 14 November 2017

Appointment of Trustees

The existing trustees are approaching charities in the local area to promote an awareness of Preston Bethany Care in the search for new trustees. A short video has been produced explaining the care Preston Bethany Care provides and what it means to be a trustee.

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.

Trustee induction and training

On appointment new trustees are inducted in the workings of the charity and provided with a directors pack which has 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.

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 is 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

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

The trustees' report was approved by the Board of Trustees.

.....*J Kay*.....
Ms J Kay (Chairperson)
Trustee
Dated: 11/10/18.....

PRESTON BETHANY CARE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PRESTON BETHANY CARE

I report to the trustees on my examination of the financial statements of Preston Bethany Care (the charity) for the year ended 31 March 2018.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Susan McDonald BSc FCA DChA

**Charter House
Pittman Way
Fulwood
Preston
Lancashire
PR2 9ZD**

Dated:11/10/18.....

PRESTON BETHANY CARE

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds	
		2018	2017
		£	£
<u>Income from:</u>			
Donations and legacies	2	393	1,969
Charitable activities	3	722,497	671,080
Investments	4	4,075	5,165
		<hr/>	<hr/>
Total income		726,965	678,214
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	636,343	600,670
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		90,622	77,544
Fund balances at 1 April 2017		1,055,744	978,200
		<hr/>	<hr/>
Fund balances at 31 March 2018		1,146,366	1,055,744
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PRESTON BETHANY CARE

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	9		456,902		465,219
Current assets					
Debtors	10	2,600		14,986	
Cash at bank and in hand		737,993		609,622	
		<u>740,593</u>		<u>624,608</u>	
Creditors: amounts falling due within one year	11	<u>(51,129)</u>		<u>(34,083)</u>	
Net current assets			689,464		590,525
Total assets less current liabilities			<u>1,146,366</u>		<u>1,055,744</u>
Income funds					
<u>Unrestricted funds - general</u>					
Designated funds	13	456,902		465,219	
General unrestricted funds	13	<u>689,464</u>		<u>590,525</u>	
			<u>1,146,366</u>		<u>1,055,744</u>
			<u>1,146,366</u>		<u>1,055,744</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The accounts were approved by the Trustees on 11/10/18.



Mr S Henderson (Treasurer)
Trustee

Company Registration No. 07394756

PRESTON BETHANY CARE**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	18		138,563		91,243
Investing activities					
Purchase of tangible fixed assets		(14,267)		(25,965)	
Interest received		4,075		5,165	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(10,192)		(20,800)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			128,371		70,443
Cash and cash equivalents at beginning of year			609,622		539,179
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>737,993</u>		<u>609,622</u>

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Preston Bethany Care is a private company limited by guarantee incorporated in England and Wales. The registered office is Bethany House, Gamull Lane, Preston, Lancashire, PR2 6TQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. At present there are no restricted funds.

1.4 Income

Incoming resources from charitable activities comprise resident fees accounted for in the period to which the service is provided. Fees paid for care after 31 March 2017 are carried forward as deferred income.

Voluntary income received by way of donations is included in incoming resources on a receivable basis.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants receivable are recognised on a performance basis when all conditions have been fulfilled.

Investment income in the form of bank interest is credited when receivable.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered.

The expenditure on charitable activities includes the costs of running the home, support and governance costs which have been allocated to the only charitable activity which is the provision of care to residents of Bethany House.

Governance costs comprise all costs including the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with trustee insurance.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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 decor 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 is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the life of the lease
Plant and equipment	15% Straight Line
Fixtures and fittings	20% Reducing Balance
Computers	33.3% Straight Line
Furniture and equipment	20% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. They are initially recognized at transaction value and subsequently measured at their settlement value.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.11 Retirement benefits

The company operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions are charged as an expense as they fall due.

1.12 Value added tax

VAT is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

2 Donations and legacies

	2018	2017
	£	£
Donations and gifts	393	469
Government apprenticeship grant	-	1,500
	<u>393</u>	<u>1,969</u>

3 Charitable activities

	2018	2017
	£	£
Residential fees	<u>722,497</u>	<u>671,080</u>

4 Investments

	2018	2017
	£	£
Interest receivable	<u>4,075</u>	<u>5,165</u>

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

5 Charitable activities

	2018 £	2017 £
Staff costs	481,427	431,762
Depreciation and impairment	22,584	23,555
Food & consumables	51,340	52,247
Heat & light	14,800	16,004
Rates	10,230	10,106
Rest home insurance	3,943	4,022
Registration & other fees	4,869	4,686
Telephone	1,202	1,264
Printing, postage, stationery & advertising	2,944	4,755
Repairs & renewals	19,072	25,457
Motor expenses	265	288
Miscellaneous	1,602	2,676
Gardening	2,620	2,494
Clinical waste	3,859	3,893
Quality assurance costs	2,076	5,901
Training	4,167	1,773
Bank charges	32	32
Governance costs:		
Accountancy	6,446	6,046
Independent examination/audit	2,500	3,240
Trustee insurance	365	469
	<u>636,343</u>	<u>600,670</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Insurance premiums during the year amounting to £365 (2017: £469) 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 by the charity during the year.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2018 £	2017 £
Audit/independent examination	2,400	3,240
Accountancy services	3,866	3,896
Other services including payroll	2,680	2,150
	<u>8,946</u>	<u>9,286</u>

8 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Management and administration	3	2
Catering	4	4
Care assistants/nurses	28	27
Pastoral care	1	-
	<u>36</u>	<u>33</u>

Employment costs

	2018 £	2017 £
Wages and salaries	475,201	429,787
Other pension costs	6,226	1,975
	<u>481,427</u>	<u>431,762</u>

There were no employees whose annual remuneration was £60,000 or more.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

9 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Furniture and equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2017	521,692	97,623	148,879	19,270	4,270	791,734
Additions	-	-	13,166	1,101	-	14,267
At 31 March 2018	521,692	97,623	162,045	20,371	4,270	806,001
Depreciation and impairment						
At 1 April 2017	112,602	75,922	117,771	16,426	3,794	326,515
Depreciation charged in the year	6,078	5,754	8,858	1,799	95	22,584
At 31 March 2018	118,680	81,676	126,629	18,225	3,889	349,099
Carrying amount						
At 31 March 2018	403,012	15,947	35,416	2,146	381	456,902
At 31 March 2017	409,090	21,701	31,108	2,844	476	465,219

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	351	12,422
Other debtors	568	928
Prepayments and accrued income	1,681	1,636
	<u>2,600</u>	<u>14,986</u>

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	5,163	4,445
Accruals and deferred income	45,966	29,638
	<u>51,129</u>	<u>34,083</u>

12 Deferred income

	2018 £	2017 £
Residents Fees Received In Advance	<u>14,874</u>	<u>14,142</u>

13 Unrestricted funds

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2018 £
General reserves	590,525	726,965	(613,759)	(14,267)	689,464
Designated reserves:					
Property asset fund at cost	465,219	-	(22,584)	14,267	456,902
	<u>1,055,744</u>	<u>726,965</u>	<u>(636,343)</u>	<u>-</u>	<u>1,146,366</u>

The general reserve 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 of the charity.

The transfer from the free reserves arises when funds are spent on fixed assets.

The resources expended represents the annual depreciation charge and the disposal of the fixed assets.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

14 Analysis of net assets between funds

	General reserves £	Designated reserves £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible assets	-	456,902	456,902
Current assets/(liabilities)	689,464	-	689,464
	<u>689,464</u>	<u>456,902</u>	<u>1,146,366</u>
	General reserves £	Designated reserves £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	-	465,219	465,219
Current assets/(liabilities)	590,525	-	590,525
	<u>590,525</u>	<u>465,219</u>	<u>1,055,744</u>

15 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	<u>39,888</u>	<u>37,655</u>

16 Taxation

The charity is exempt from tax on its charitable activities.

17 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.

PRESTON BETHANY CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

18	Cash generated from operations	2018 £	2017 £
	Surplus for the year	90,622	77,544
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4,075)	(5,165)
	Depreciation and impairment of tangible fixed assets	22,584	23,555
	Movements in working capital:		
	Decrease/(increase) in debtors	12,386	(3,937)
	Increase/(decrease) in creditors	17,046	(754)
	Cash generated from operations	<u>138,563</u>	<u>91,243</u>