

Company registration number: 03371617

Charity registration number: 1064810

PHILIP CUSSINS HOUSE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Philip Cussins House

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 6
Independent Auditors' Report	7 to 10
Statement of Financial Activities	11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 27

Philip Cussins House

Reference and Administrative Details

Presidents G Lurie and A Share

Vice President T Benjamin

Chairman F Fageleman

Treasurer F Fagleman

Trustees J B Dinsdale
G Bernstone
F I Fagleman
A A Josephs
D M Gold
P Netts
M A Levinson
B S Marcus
C E Lurie

Secretary M A Levinson

Key Management Personnel Mrs Lemon, Home Manager, Home Manager
Mrs Parry, Finance Manager, Administrator

Principal Office 33 Linden Road
Gosforth
Newcastle upon Tyne
NE3 4EY

The charity is incorporated in England and Wales.

Philip Cussins House

Reference and Administrative Details

Company Registration Number 03371617

Charity Registration Number 1064810

Solicitors Tilly Bailey and Irvine
12 Evolution
Wynyard Park
Wynyard
TS22 5TB

Bankers Barclays Bank plc
53 Fawcett Street
Sunderland
SR1 1RS

Auditor MHA Tait Walker
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Philip Cussins House

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustees

New trustees are sought as and when the trustees consider this necessary and appointments are made by agreement of the trustees.

Organisational structure

The day to day management of the care home is in the hands of a manager and an administrator. The trustees take an active interest in the day to day operations of the care home.

Objectives and activities

Objects and aims

The Charity's objective is to provide and maintain a residential care home for elderly members of the local Jewish community, and others, who are in need of care.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The charity relies on the income from fees and charges to cover most of its operating costs. In setting the level of fees the trustees give due consideration to the need to ensure that the residential accommodation provided by Philip Cussins House is accessible to all members of the local Jewish community.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Philip Cussins House

Trustees' Report

Achievements and performance

I have pleasure in presenting the twenty fourth Annual Report and Audited Accounts on behalf of the Directors of Philip Cussins House.

There is no doubt that 2020 is a year dominated by the Covid Virus and I am delighted to be able to report that thanks to the hard work and dedicated efforts of all the staff that Philip Cussins House was Covid free throughout the whole year.

Our wonderful team of carers, cooks and domestics lead most ably by Manager Margaret Lemon assisted by Deputy Manager Anne Henderson have all made a huge effort to ensure that all residents were kept safe throughout an unprecedented pandemic.

Thanks go to all the kitchen staff led by Brian Pearson and the work of Susan Allan our house Manager

We are immensely grateful to Rabbi Lieberman, the Head of the Gateshead Kashrus Authority, for his tactful and sympathetic guidance which has ensured we could celebrate Pesach and the Yom Tovim, and all the other Jewish Festivals, in a strictly Kosher manner.

I am also indebted to Anthea Parry our Finance Manager for ensuring the running of our administration – and, of course, all our fabulous staff for the loving care that they give to our residents every day (and night!) of the year.

Thanks also to my fellow Trustees on our Board for their hard work and support and the House Committee, Carol Lurie, Pamela Gold, Bernice Marcus and Barbara Netts.

We record our grateful thanks to the GP's and district nurses from the Grove Medical Group along with others in the NHS who have addressed the needs of our residents in the difficult and challenging Covid conditions

We also report with sadness the passing of Rita Lewin and Ann Freedland in 2020.

Housing Committee

We again sincerely thank the House Committee. Meeting every week, they work with Margaret Lemon & Anthea Parry and the staff to ensure that our residents lead a full and varied life.

In the kitchen Yenty Freudiger, our Shomer, was also employed as a part time cook. The Rebbetzin, Miriam Lipsey, joined the team in the kitchen on a part time basis later in the year.

Following Government Covid regulations we were able to provide a Covid safe "pod" so that residents could receive visitors safely and comfortably, this was indeed a great comfort to all the residents to be able to see family members during such an uncertain time.

Although the Covid Virus has curtailed our usual full diary of events, entertainment and outings the staff have managed to create and keep a friendly, happy, loving atmosphere in the face of the most difficult conditions keeping our Home one of the most highly ranked in the area.

Philip Cussins House

Trustees' Report

Financial review

Our operating deficit for the year was £144,583 (2019 £102,821) whilst there was a decrease in the value of our investments of £27,848 (2019:- Increase £56,591) resulting in a reduction in our net assets of £172,431 in the year to 31st December. Our Liquid Reserves remain substantial which will ensure the continued running of one of the best care homes in the North East. Anthony Josephs wishes to record his appreciation of Anthea's efforts throughout the year and to thank our Accountants and Auditors, MHA Tait Walker for the professional manner in which they have handled our accounts this year.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of 12 months running costs, which would equate to holding approximately £760,000-£790,000 in free reserves.

At the year end, free reserves including amountsheld in fixed asset investments were £659,193 (2019: £820,376), a decrease of £161,543 in the year.

Investment policy and objectives

The trustees have considered the most appropriate policy for investing funds and have found that holding a portfolio of lower risk investments managed by Barclays Wealth to be most suitable.

Key Management Personnel

The board, who give their time freely and have received no remuneration in the year, have considered who are the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash and investment balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Philip Cussins House

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Philip Cussins House for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They 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.


Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ...16.12.2021... and signed on its behalf by:



.....
F I Fagleman
Trustee

Philip Cussins House

Independent Auditor's Report to the Members of Philip Cussins House

Opinion

We have audited the financial statements of Philip Cussins House (the 'charity') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Philip Cussins House

Independent Auditor's Report to the Members of Philip Cussins House

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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 disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out in the trustees report), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Philip Cussins House

Independent Auditor's Report to the Members of Philip Cussins House

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); care quality commission; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Philip Cussins House

Independent Auditor's Report to the Members of Philip Cussins House

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 16/11/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

Philip Cussins House

Statement of Financial Activities for the Year Ended 31 December 2020

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	4,628	33,712	38,340	13,601
Charitable activities	4	709,254	-	709,254	647,735
Investment income	5	15,407	-	15,407	21,878
Total Income		<u>729,289</u>	<u>33,712</u>	<u>763,001</u>	<u>683,214</u>
Expenditure on:					
Raising funds	6	(2,105)	-	(2,105)	(1,819)
Charitable activities	7	<u>(871,767)</u>	<u>(33,712)</u>	<u>(905,479)</u>	<u>(784,216)</u>
Total Expenditure		<u>(873,872)</u>	<u>(33,712)</u>	<u>(907,584)</u>	<u>(786,035)</u>
Gains/losses on investment assets		<u>(27,848)</u>	<u>-</u>	<u>(27,848)</u>	<u>56,591</u>
Net expenditure		<u>(172,431)</u>	<u>-</u>	<u>(172,431)</u>	<u>(46,230)</u>
Net movement in funds		(172,431)	-	(172,431)	(46,230)
Reconciliation of funds					
Total funds brought forward		<u>1,857,161</u>	<u>2,610</u>	<u>1,859,771</u>	<u>1,906,001</u>
Total funds carried forward	19	<u>1,684,730</u>	<u>2,610</u>	<u>1,687,340</u>	<u>1,859,771</u>

All of the charity's activities derive from continuing operations during the above two periods.

Philip Cussins House

Comparative Statement of Financial Activities for the Year Ended 31 December 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	6,101	7,500	13,601
Charitable activities	4	647,735	-	647,735
Investment income	5	21,878	-	21,878
Total income		675,714	7,500	683,214
Expenditure on:				
Raising funds	6	(1,819)	-	(1,819)
Charitable activities	7	(783,681)	(535)	(784,216)
Total expenditure		(785,500)	(535)	(786,035)
Gains/losses on investment assets		56,591	-	56,591
Net (expenditure)/income		(53,195)	6,965	(46,230)
Transfers between funds		4,355	(4,355)	-
Net movement in funds		(48,840)	2,610	(46,230)
Reconciliation of funds				
Total funds brought forward		1,906,001	-	1,906,001
Total funds carried forward	19	1,857,161	2,610	1,859,771

Philip Cussins House

(Registration number: 03371617)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	1,025,537	1,036,785
Investments	15	<u>390,869</u>	<u>590,822</u>
		<u>1,416,406</u>	<u>1,627,607</u>
Debtors	16		
- due within one year		249,062	90,537
- due after one year		-	150,000
Cash at bank and in hand		<u>64,487</u>	<u>19,952</u>
		313,549	260,489
Creditors: Amounts falling due within one year	17	<u>(42,615)</u>	<u>(28,325)</u>
Net current assets		<u>270,934</u>	<u>232,164</u>
Net assets		<u>1,687,340</u>	<u>1,859,771</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		2,610	2,610
Unrestricted income funds			
Unrestricted funds		<u>1,684,730</u>	<u>1,857,161</u>
Total funds	19	<u>1,687,340</u>	<u>1,859,771</u>

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on ~~16/12/2020~~ 16/12/2020 and signed on their behalf by:



.....
F I Fagleman
Trustee

Philip Cussins House

Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash expenditure		(172,431)	(46,230)
Adjustments to cash flows from non-cash items			
Depreciation	6	11,839	11,975
Investment income	5	(15,407)	(21,878)
Revaluation of investments		<u>27,848</u>	<u>(56,591)</u>
		(148,151)	(112,724)
Working capital adjustments			
Increase in debtors	16	(8,525)	(48,222)
Increase/(decrease) in creditors	17	<u>14,290</u>	<u>(12,839)</u>
Net cash flows from operating activities		<u>(142,386)</u>	<u>(173,785)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	15,407	21,878
Purchase of tangible fixed assets	14	(591)	(29,024)
Purchase of investments	15	(170,574)	(240,127)
Sale of investments		<u>342,679</u>	<u>281,943</u>
Net cash flows from investing activities		<u>186,921</u>	<u>34,670</u>
Net increase/(decrease) in cash and cash equivalents		44,535	(139,115)
Cash and cash equivalents at 1 January		<u>19,952</u>	<u>159,067</u>
Cash and cash equivalents at 31 December		<u><u>64,487</u></u>	<u><u>19,952</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is: 33 Linden Road, Gosforth, Newcastle upon Tyne, NE3 4EY

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Philip Cussins House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements have been prepared in Sterling, which is the functional currency of this entity.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash and investment balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

There are no significant estimates.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	Straight line over expected life
Sephar Torah	Nil rate
Fixtures and fittings	50% Straight line
Computer equipment	20% Straight line

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity has provided an employer pension scheme. The scheme is a defined contribution scheme. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Donations and legacies;			
Donations from individuals	2,733	1,300	4,033
Grants, including capital grants;			
Government grants	1,895	32,412	34,307
	<u>4,628</u>	<u>33,712</u>	<u>38,340</u>
	Unrestricted funds General £	Restricted funds £	Total 2019 £
Donations and legacies;			
Donations from individuals	6,101	7,500	13,601
	<u>6,101</u>	<u>7,500</u>	<u>13,601</u>

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

4 Income from charitable activities

	Unrestricted funds General £	Total 2020 £
Care home room fees and daycare	709,254	709,254
	Unrestricted funds General £	Total 2019 £
Care home room fees and daycare	647,735	647,735

5 Investment income

	Unrestricted funds General £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	1	1
Other income from fixed asset investments	10,551	10,551
Other investment income	4,855	4,855
	15,407	15,407
	Unrestricted funds General £	Total 2019 £
Interest receivable and similar income;		
Interest receivable on bank deposits	683	683
Other income from fixed asset investments	15,413	15,413
Other investment income	5,782	5,782
	21,878	21,878

6 Expenditure on raising funds

a) Investment management costs

	Direct costs £	Total 2020 £	Total 2019 £
Investment management costs	2,105	2,105	1,819

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Expenditure on charitable activities

		Unrestricted funds General £	Restricted funds £	Total 2020 £
Care home room fees and daycare		274,388	33,712	308,100
Staff costs		551,678	-	551,678
Allocated support costs	8	23,615	-	23,615
Governance costs	8	22,086	-	22,086
		<u>871,767</u>	<u>33,712</u>	<u>905,479</u>
		Unrestricted funds General £	Restricted funds £	Total 2019 £
Care home room fees and daycare		268,190	535	268,725
Staff costs		479,208	-	479,208
Allocated support costs	8	25,385	-	25,385
Governance costs	8	10,898	-	10,898
		<u>783,681</u>	<u>535</u>	<u>784,216</u>

In addition to the expenditure analysed above, there are also governance costs of £22,086 (2019 - £10,898) which relate directly to charitable activities. See note 8 for further details.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Analysis of governance and support costs

Support costs

	Unrestricted		
	General	Total	Total
	£	2020	2019
		£	£
Telephone	2,520	2,520	1,650
Printing Stationery, Postage and Advertising	11,334	11,334	9,902
Bank Charges	735	735	1,145
Subscriptions and Memberships	9,026	9,026	12,688
	<u>23,615</u>	<u>23,615</u>	<u>25,385</u>

Governance costs

	Unrestricted		
	General	Total	Total
	£	2020	2019
		£	£
Audit fees			
Audit of the financial statements	3,500	3,500	3,250
Legal fees	1,647	1,647	1,158
Other governance costs	16,939	16,939	6,490
	<u>22,086</u>	<u>22,086</u>	<u>10,898</u>

The increase in other governance costs is due to the charity obtaining external bookkeeping services.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020 £	2019 £
Audit fees	3,500	3,250
Depreciation of fixed assets	<u>11,839</u>	<u>11,975</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	511,697	446,783
Social security costs	33,034	26,978
Pension costs	<u>6,947</u>	<u>5,447</u>
	<u>551,678</u>	<u>479,208</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Staff total	<u>35</u>	<u>30</u>

19 (2019 - 24) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £60,071 (2019 - £59,867).

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>3,500</u>	<u>3,250</u>

13 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost				
At 1 January 2020	993,763	205,958	3,000	1,202,721
Additions	<u>-</u>	<u>591</u>	<u>-</u>	<u>591</u>
At 31 December 2020	<u>993,763</u>	<u>206,549</u>	<u>3,000</u>	<u>1,203,312</u>
Depreciation				
At 1 January 2020	-	165,936	-	165,936
Charge for the year	<u>-</u>	<u>11,839</u>	<u>-</u>	<u>11,839</u>
At 31 December 2020	<u>-</u>	<u>177,775</u>	<u>-</u>	<u>177,775</u>
Net book value				
At 31 December 2020	<u>993,763</u>	<u>28,774</u>	<u>3,000</u>	<u>1,025,537</u>
At 31 December 2019	<u>993,763</u>	<u>40,022</u>	<u>3,000</u>	<u>1,036,785</u>

Included within the net book value of land and buildings above is £993,763 (2019 - £993,763) in respect of freehold land and buildings and £Nil (2019 - £Nil) in respect of leaseholds.

The trustees have considered the value of the Land and Buildings above as at the year end and have concluded that the value of these would not be lower than £993,763 They have therefore decided not to depreciate the asset.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

15 Fixed asset investments

Other investments

	Listed investments £	Cash £	Total £
Cost or Valuation			
At 1 January 2020	582,214	8,608	590,822
Additions	-	170,574	170,574
Disposals	(170,574)	(172,105)	(342,679)
Revaluation	(27,848)	-	(27,848)
At 31 December 2020	<u>383,792</u>	<u>7,077</u>	<u>390,869</u>
Net book value			
At 31 December 2020	<u>383,792</u>	<u>7,077</u>	<u>390,869</u>
At 31 December 2019	<u>582,214</u>	<u>8,608</u>	<u>590,822</u>

The market value of the listed investments at 31 December 2020 was £390,869 (2019 - £590,822).

The historical cost of the above is £340,592 (2019: £503,415).

Included in the above:

Fixed deposit investments: £6,900 (2019: £7,426)
 Barclays Charity Fund R: £279,178 (2019: £478,098)
 MS WOF Step Down: £104,615 (2019: £104,115)

16 Debtors

	2020 £	2019 £
Trade debtors	55,126	55,058
Prepayments and accrued income	39,985	31,528
Other debtors	<u>153,951</u>	<u>153,951</u>
	<u>249,062</u>	<u>240,537</u>

Debtors includes £Nil (2019: £150,000) receivable after more than one year. This is a loan made to UHC at a rate of 3% plus base. The loan was fully repaid post year end.

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	13,385	8,217
Other taxation and social security	8,223	12,041
Other creditors	1,832	1,282
Accruals	19,175	6,785
	<u>42,615</u>	<u>28,325</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,947 (2019 - £5,447).

Contributions totalling £1,832 (2019 - £1,150) were payable to the scheme at the end of the year and are included in creditors.

19 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
Unrestricted					
General					
General Funds	1,857,161	729,289	(873,872)	(27,848)	1,684,730
Restricted					
Bed Fund	2,000	32,412	(32,412)	-	2,000
Dr B Gordon Fund	610	-	-	-	610
Staff Taxis Fund	-	1,300	(1,300)	-	-
Total restricted	<u>2,610</u>	<u>33,712</u>	<u>(33,712)</u>	<u>-</u>	<u>2,610</u>
Total funds	<u>1,859,771</u>	<u>763,001</u>	<u>(907,584)</u>	<u>(27,848)</u>	<u>1,687,340</u>

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

The specific purposes for which the funds are to be applied are as follows:

Bed Fund - Donation from JJ Symonds in memory Cyril Symonds.

Dr B Gordon - This was donation from the family of the late Benny Gordon. This is towards garden furniture and any other furniture to enhance the home.

Staff Taxis Fund - This was a donation from Mr & Mrs Lurie towards staff taxi costs.

Infection Control - These are COVID grants received towards control of infection within the nursing home.

20 Analysis of net assets between funds

	Unrestricted General £	Restricted £	Total funds £
Tangible fixed assets	1,025,537	-	1,025,537
Fixed asset investments	390,869	-	390,869
Net current assets/(liabilities)	268,324	2,610	270,934
Total net assets	<u>1,684,730</u>	<u>2,610</u>	<u>1,687,340</u>

	Unrestricted General £	Restricted £	Total funds at 31 December 2019 £
Tangible fixed assets	1,036,785	-	1,036,785
Fixed asset investments	590,822	-	590,822
Net current assets/(liabilities)	229,554	2,610	232,164
Total net assets	<u>1,857,161</u>	<u>2,610</u>	<u>1,859,771</u>

21 Analysis of net funds

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	19,952	44,535	64,487
Net funds	<u>19,952</u>	<u>44,535</u>	<u>64,487</u>

	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	159,067	(139,115)	19,952
Net funds	<u>159,067</u>	<u>(139,115)</u>	<u>19,952</u>

Philip Cussins House

Notes to the Financial Statements for the Year Ended 31 December 2020

22 Related party transactions

During the year the charity made the following related party transactions:

United Hebrew Congregation of Newcastle upon Tyne

(A charity of which A A Josephs is also a Trustee.)

A loan has been provided to UHC which was repaid in April 2021. Interest is charged at 3% above base rate. The loan is secured by way of a first legal mortgage over the asset of the borrower. The amount recovered was £174,860, which will result in a write off of £8,031 in year ended 31 December 2021.

The loan balance outstanding at the year end owed from UHC amounted to £181,630, (2019: £176,776). During the year interest was receivable amounting to £4,854 (2019: £5,782)

.

M Levinson

(M Levinson is a trustee of the charity)

During the previous year, M Levinson lent the charity £10,000 which was fully repaid within that year.

Benfield Medical Centre

(Dr Netts is a partner in the Benfield Medical Centre.)

During the year the charity engaged Benfield Medical Centre to administer jabs to staff, costing £564 (2019: £Nil). This was at commercial rates applied by Benfield Medical Centre.