

**REGISTERED COMPANY NUMBER: 08917492 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1156022**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2020**  
**for**  
**New Forest Quaker Care Home**



Town & Forest  
Chartered Accountants & Statutory Auditors  
Comerways House  
School Lane  
Ringwood  
Hampshire  
BH24 1LG

**New Forest Quaker Care Home**

**Contents of the Financial Statements**  
**for the Year Ended 31 December 2020**

	<b>Page</b>
<b>Report of the Trustees</b>	<b>1 to 5</b>
<b>Report of the Independent Auditors</b>	<b>6 to 8</b>
<b>Statement of Financial Activities</b>	<b>9</b>
<b>Statement of Financial Position</b>	<b>10</b>
<b>Statement of Cash Flows</b>	<b>11</b>
<b>Notes to the Statement of Cash Flows</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13 to 21</b>

**New Forest Quaker Care Home (Registered number: 08917492)**

**Report of the Trustees**  
**for the Year Ended 31 December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objects of the Charity are, for the public benefit, to provide housing, accommodation and assistance, and associated facilities and amenities to help house elderly people and to relieve their suffering.

The trustees continue to have regard to the guidance issued by the Charity Commission on public benefit. The Charity owns and operates a 39-bed residential care home in New Milton. The Charity meets its public benefit obligations by having a policy that we accommodate residents whose places are funded sometimes by the local authority, which pays less than the rate set by the trustees, as well as those who pay the full fee privately.

Residents' independence and participation is actively promoted. We have a programme of regular activities provided this year mostly by our own staff due to Covid-19 restrictions limiting external visitors to the home. Activities have focused on arts & crafts sessions, team games and quizzes. The same Covid-19 restrictions also limited our ability to provide faith visits, exercise classes, live music, visits by children and visits by animals (with their handlers). Similarly, our annual Open Day, outings to the New Forest, garden centres, the nearby seaside and shopping trips were also, regretfully, cancelled during the Pandemic lockdown period.

Due to the pandemic, we have also had to cancel visits from our volunteers, who regularly come in to socialise with the residents and to help support activities. We look forward to re-introducing all these forms of activity once Guidance allows us to.

We hold regular meetings with residents (but without families or Trustees during lockdown periods), which are attended by the Registered Manager and other senior staff. These meetings give residents an opportunity to express their views on how the Home is run and to raise any issues that may be of concern. We always encourage visits from friends and family, who can be provided with accommodation and meals if required, but again these have been suspended during periods of Covid-19 lockdown and social distancing.

**New Forest Quaker Care Home (Registered number: 08917492)**

**Report of the Trustees**  
**for the Year Ended 31 December 2020**

**ACHIEVEMENT AND PERFORMANCE**

This year has unfortunately been dominated by the impact of Covid-19 which has brought much stress and strain on all our staff, residents, relatives and all of those who support Quaker House. The Trustees are however enormously proud and thankful for the tremendous dedication and effort of our staff and residents in these difficult and unprecedented times. Because of this hard work and sacrifice we have managed to stay free from any Covid-19 infections in the home. However, we have had to face rising costs in dealing with the Pandemic and falling revenues as our occupancy and referral levels fell due to Covid-19 restrictions. The Trustees have taken measures to limit the financial impact of Covid-19 and have boosted our income from Government support grants wherever possible.

Despite these Covid-19 difficulties we continue to hold a 'Good' rating in all five 'Key Lines of Enquiry' (KLOEs) tested by the Care Quality Commission (CQC) as published in January 2019. This reflects the sustained work done by the Registered Manager in maintaining continuous compliance with the KLOEs. Equally, we have again managed a high level of staff retention and training (much of it delivered in-house) unlike many other care providers impacted by Covid-19.

We take great pride in the level of training that we provide to our staff. A key aspect that is mandatory for all our staff to accomplish every year is fire training, both practical and theoretical. This played a crucial role in the staff's handling of a fire in the laundry room and the safe and efficient movement of all residents and staff away from the source of the fire. The fire brigade officer in charge of the incident praised the textbook efficiency with which the whole situation was handled.

The quality and extent of activities for our residents continues to be high and several residents and their families have thanked us for what we provide.

We have spent considerable amounts of time and resource in upgrading our plumbing and water treatment this year, which are proving their worth. Equally, we have modernised our kitchen facilities and now employ our own Chef's resulting in even further enjoyment of our meals. Trustees have also approved plans for a much-improved telephone, wi-fi and internet system which will enable residents to communicate with friends and relatives by various media from the comfort of their own bedrooms.

**New Forest Quaker Care Home (Registered number: 08917492)**

**Report of the Trustees**  
**for the Year Ended 31 December 2020**

**FINANCIAL REVIEW**

There was a deficit of £28,359 for the year compared with a deficit of £149,397 for the previous year, which the Trustees regard as an achievement given the above pressures of Covid-19. This improvement was due in large part to the corrective actions taken by the management team during the year to increase occupancy rates before the Pandemic struck, review our fee structures (including greater use of respite care) and make efficiency savings where possible but without compromising care of residents. Our management team continue to focus their energies on attracting improved occupancy as Quaker House begins to emerge from the constraints of Covid-19.

Income increased by 11.5% (2019: 17.9%) whilst expenditure increased by 1.3% (2019: 4.9%), reflecting the fixed nature of the large majority of our costs. We made a charitable contribution equivalent to the shortfall in income of £14,866 (2019: £5,558) from residents funded by our local authority compared with what we would have received if the residents had funded themselves. Our policy is to net our charitable contributions against the room fee income in our accounts.

Average room occupancy during 2020 was 70.0% compared with 75.2% in 2019, again due to the impact of Covid-19. The convalescence and respite service continues to be popular and achieves a good conversion rate into full time residencies.

The company's cash reserves policy is designed to keep sufficient "free cash" in its bank accounts to cover approximately six months' operating cash requirement plus three years' estimated expenditure on planned maintenance and improvements. "Free cash" comprises all cash excluding amounts representing residents' deposits and amounts relating to restricted reserves that are intended to be spent more than twelve months from the balance sheet date. This requirement is equivalent to about £775,000 (2019: £890,000). However, the calculated "free cash" reserve figure is £446,000 (2019: £450,000), which gives a shortfall in cash reserves of about £329,000 (2019: £439,000). At this level, the Board considers that the Charity is able to continue to function in the next 12 months whilst it rebuilds its occupancy rate and reduces costs where possible whilst maintaining the level of care and safety consistent with five 'Good' scores under the KLOEs. We continually monitor the situation.

We have benchmarked our fees, both current and the new ones for 2020/21, to ensure that we are in line with the market in which we operate.

The Trustees are of the opinion that the market value of the freehold property owned by the Charity is greater than the net book value at which it is stated in the balance sheet.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity is a company limited by guarantee and does not have a share capital. Its governing document is the Articles of Association. The Trustees set the strategic direction and policies of the Charity and delegate the implementation of their decisions and day-to-day management to the Registered Manager, the Business Manager and other senior members of staff. The Board has two Committees: Finance and Facilities Management.

During 2020 there were between three and six Trustees with a wide range of professional backgrounds. There is a formal process for recruiting new Trustees. This includes an informal meeting with the candidate attended by the Chair, and another trustee and inviting the candidate to attend a Board meeting as an observer. New trustees are issued with a welcome pack of documentation and meet with the Chair of the Board, the Chairs of the committees, the Business Manager and the Registered Manager. They are issued with a job description and a board member handbook. Trustees retire by rotation at every third annual review meeting but may stand to be re-elected. However, they may serve for no more than three contiguous 3-year terms of office, other than in exceptional circumstances.

In 2020 two trustees resigned and three were appointed. No trustees required to be retired by rotation during the year (2019: None) or to have their earlier appointment confirmed at the Annual Review Meeting (2019: None).

It is a requirement that Trustees receive training on various issues including dementia and fundraising. The risks the Charity faces are reviewed annually, and systems and procedures have been established to mitigate them. We conduct an annual skills audit of the trustees.

The Home is registered with and regulated by the CQC under the Health and Social Care Act 2008.

**New Forest Quaker Care Home (Registered number: 08917492)**

**Report of the Trustees**  
**for the Year Ended 31 December 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
08917492 (England and Wales)

**Registered Charity number**  
1156022

**Registered office**  
Quaker House  
40 Barton Court Road  
New Milton  
Hampshire  
BH25 6NR

**Trustees**  
M Richens  
B Dempster  
J Bremner (deceased 9.4.20)  
N Holmes  
E Kemp (appointed 1.12.20)  
E Hayward (appointed 15.10.20)  
J Masters (appointed 14.10.20)

**Senior Statutory Auditor**  
Zara Dunster FCA

**Auditors**  
Town & Forest  
Chartered Accountants & Statutory Auditors  
Cornerways House  
School Lane  
Ringwood  
Hampshire  
BH24 1LG

**Solicitors**  
Bates Wells Braithwaite  
10 Queen Street Place  
London  
ECRU 1BE

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of New Forest Quaker Care Home for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

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

**New Forest Quaker Care Home (Registered number: 08917492)**

**Report of the Trustees**  
**for the Year Ended 31 December 2020**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Internal controls over all forms of commitment and expenditure continues to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and appropriate management information is prepared and regularly reviewed by both the executive management and the Trustees. The systems of internal controls are designed to provide reasonable but not absolute assurance against material mis-statement or loss. They include:

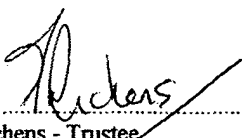
- Strategic plans and annual budgets approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of day-to-day management authority and segregation of duties; and
- Identification and management of risks

**AUDITORS**

The auditors, Town & Forest, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 10/8/2021 and signed on its behalf by:

  
.....

M Richens - Trustee

**Report of the Independent Auditors to the Members of**  
**New Forest Quaker Care Home**

**Opinion**

We have audited the financial statements of New Forest Quaker Care Home (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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.

**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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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



**Report of the Independent Auditors to the Members of**  
**New Forest Quaker Care Home**

**Matters on which we are required to report by exception**

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

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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Our 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 a Report of the Independent Auditors 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.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the Companies Act 2006, FRS 102 and Charities Act 2011.

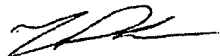
We assessed the risks of material misstatement in respect of fraud as follows: we made full enquiries with management and those charged with governance. As part of our fraud discussions we discussed particular areas we believed to be susceptible to misstatement. Also during our audit we paid particular attention to looking for any related party transactions, however there were no related party transactions in this entity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of**  
**New Forest Quaker Care Home**

**Use of our report**

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Zara Dunster FCA (Senior Statutory Auditor)  
for and on behalf of Town & Forest  
Chartered Accountants & Statutory Auditors  
Comerways House  
School Lane  
Ringwood  
Hampshire  
BH24 1LG

Date: 25 August 2021 .....

**New Forest Quaker Care Home**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 December 2020**

		31.12.20 Unrestricted funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies	2	4,470	1,369
<b>Charitable activities</b>	5		
Grant income		91,269	-
Other trading activities	3	1,233,440	1,188,093
Investment income	4	<u>14,045</u>	<u>15,001</u>
<b>Total</b>		<b>1,343,224</b>	<b>1,204,463</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	6		
Charitable Activities		1,267,924	1,259,377
Governance		4,439	4,353
Support Costs		90,368	77,866
Other		<u>8,852</u>	<u>12,264</u>
<b>Total</b>		<b>1,371,583</b>	<b>1,353,860</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(28,359)</b>	<b>(149,397)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>2,415,683</b>	<b>2,565,080</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>2,387,324</u></b>	<b><u>2,415,683</u></b>

The notes form part of these financial statements

**New Forest Quaker Care Home (Registered number: 08917492)**

**Statement of Financial Position**  
**31 December 2020**

	Notes	31.12.20 Unrestricted funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	2,086,760	2,082,802
<b>CURRENT ASSETS</b>			
Stocks	12	1,129	5,074
Debtors	13	30,927	51,178
Cash at bank and in hand		<u>501,946</u>	<u>504,750</u>
		534,002	561,002
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(197,420)</u>	<u>(183,500)</u>
<b>NET CURRENT ASSETS</b>		<u>336,582</u>	<u>377,502</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,423,342	2,460,304
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	<u>(36,018)</u>	<u>(44,621)</u>
<b>NET ASSETS</b>		<u>2,387,324</u>	<u>2,415,683</u>
<b>FUNDS</b>	17		
Unrestricted funds		<u>2,387,324</u>	<u>2,415,683</u>
<b>TOTAL FUNDS</b>		<u>2,387,324</u>	<u>2,415,683</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 10/08/2021 and were signed on its behalf by:

  
M Richens - Trustee

The notes form part of these financial statements

**New Forest Quaker Care Home**

**Statement of Cash Flows**  
**for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	83,724	(89,929)
Interest element of finance lease payments paid		<u>(421)</u>	<u>(421)</u>
Net cash provided by/(used in) operating activities		<u>83,303</u>	<u>(90,350)</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(86,451)	(3,947)
Interest received		<u>2,045</u>	<u>3,001</u>
Net cash used in investing activities		<u>(84,406)</u>	<u>(946)</u>
 <b>Cash flows from financing activities</b>			
Capital repayments in year		<u>(1,701)</u>	<u>(1,704)</u>
Net cash used in financing activities		<u>(1,701)</u>	<u>(1,704)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		(2,804)	(93,000)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>504,750</u>	<u>597,750</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>501,946</u>	<u>504,750</u>

The notes form part of these financial statements

**New Forest Quaker Care Home**

**Notes to the Statement of Cash Flows**  
**for the Year Ended 31 December 2020**

**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.20	31.12.19
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(28,359)	(149,397)
Adjustments for:		
Depreciation charges	82,488	75,839
Loss on disposal of fixed assets	5	-
Interest received	(2,045)	(3,001)
Interest element of hire purchase and finance lease rental payments	421	421
Decrease in stocks	3,945	-
Decrease/(increase) in debtors	20,251	(1,612)
Increase/(decrease) in creditors	<u>7,018</u>	<u>(12,179)</u>
Net cash provided by/(used in) operations	<u>84,145</u>	<u>(89,508)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank and in hand	<u>504,750</u>	<u>(2,804)</u>	<u>501,946</u>
	<u>504,750</u>	<u>(2,804)</u>	<u>501,946</u>
Debt			
Finance leases	<u>(5,950)</u>	<u>1,701</u>	<u>(4,249)</u>
	<u>(5,950)</u>	<u>1,701</u>	<u>(4,249)</u>
Total	<u>498,800</u>	<u>(1,103)</u>	<u>497,697</u>

The notes form part of these financial statements

**New Forest Quaker Care Home**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2020**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention and in accordance with the accounting policies set out below.

The financial statements have been prepared in sterling which is the functional currency of the charity.

**Income**

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

**Donations:** Donations are accounted for as they are received.

**Legacies:** Pecuniary legacies are accounted for as they are received. Residuary legacies are accounted for at the date of entitlement.

**Local Authority Fees** are accounted for at the date the invoice is issued in accordance with the terms and conditions prevailing with the local authority.

**Investment income** is accounted for once the income has been credited to the bank account.

**Grant income** is accounted for in an appropriate manner that matches with the expenditure towards which it is intended to contribute. Grants for immediate financial support or to cover costs already incurred are recognised immediately in the statement of financial activities. All grant income is recognised when all conditions for receipt have been complied with.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Redundancy and termination payments**

Termination payments are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these payments. The charity recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold Property	- 2% on cost
Fixtures and Fittings	- 10% straight line
Long Life Assets	- 5% on cost
Fire Prevention Equipment	- 10% on cost
Computer Equipment	- 20% on cost

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**1. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Provisions and accruals**

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

**Trade debtors**

Trade debtors are carried at original net invoice amount less an estimate for doubtful debtors. Bad debts are written off when identified. Specific provisions are made against debts whose recovery is considered doubtful.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Fixtures and fittings**

Items (or projects) costing less than £3,000 are written off against income during the year of expenditure, items with a life of less than three years are also written off against income.

**2. DONATIONS AND LEGACIES**

	31.12.20	31.12.19
	£	£
Donations	<u>4,470</u>	<u>1,369</u>

**3. OTHER TRADING ACTIVITIES**

	31.12.20	31.12.19
	£	£
Room fees	1,232,940	1,186,255
Sundry income	500	-
Solar panel income	<u>-</u>	<u>1,838</u>
	<u>1,233,440</u>	<u>1,188,093</u>



**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**4. INVESTMENT INCOME**

	31.12.20	31.12.19
	£	£
Rent - 38B Barton Court Road	12,000	12,000
Deposit account interest	<u>2,045</u>	<u>3,001</u>
	<u>14,045</u>	<u>15,001</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	31.12.20	31.12.19
	£	£
Grants	<u>91,269</u>	<u>-</u>

Grants received, included in the above, are as follows:

	31.12.20	31.12.19
	£	£
Grants Received	<u>91,269</u>	<u>-</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable Activities	1,267,924	-	1,267,924
Governance	-	4,439	4,439
Support Costs	<u>-</u>	<u>90,368</u>	<u>90,368</u>
	<u>1,267,924</u>	<u>94,807</u>	<u>1,362,731</u>

**7. SUPPORT COSTS**

	Other £	Governance costs £	Totals £
Governance	-	4,439	4,439
Support Costs	<u>90,368</u>	<u>-</u>	<u>90,368</u>
	<u>90,368</u>	<u>4,439</u>	<u>94,807</u>

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20	31.12.19
	£	£
Auditors' remuneration	4,439	4,353
Depreciation - owned assets	80,787	74,137
Depreciation - assets on hire purchase contracts and finance leases	1,701	1,701
Hire of plant and machinery	8,431	11,843
Deficit on disposal of fixed assets	<u>5</u>	<u>-</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**10. STAFF COSTS**

	31.12.20	31.12.19
	£	£
Wages and salaries	772,932	699,121
Social security costs	59,403	53,915
Other pension costs	<u>39,805</u>	<u>35,125</u>
	<u>872,140</u>	<u>788,161</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Full and Part Time	<u>38</u>	<u>39</u>

No employees received emoluments in excess of £60,000.

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**11. TANGIBLE FIXED ASSETS**

	Freehold Property £	Fixtures and Fittings £	Long Life Assets £
<b>COST</b>			
At 1 January 2020	2,352,958	269,308	178,608
Additions	-	86,451	-
Disposals	-	(107,471)	(18,729)
At 31 December 2020	<u>2,352,958</u>	<u>248,288</u>	<u>159,879</u>
<b>DEPRECIATION</b>			
At 1 January 2020	468,226	180,710	99,292
Charge for year	43,182	20,521	7,522
Eliminated on disposal	-	(107,468)	(18,729)
At 31 December 2020	<u>511,408</u>	<u>93,763</u>	<u>88,085</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>1,841,550</u>	<u>154,525</u>	<u>71,794</u>
At 31 December 2019	<u>1,884,732</u>	<u>88,598</u>	<u>79,316</u>

	Fire Prevention Equipment £	Computer Equipment £	Totals £
<b>COST</b>			
At 1 January 2020	107,784	22,820	2,931,478
Additions	-	-	86,451
Disposals	(9,139)	(7,359)	(142,698)
At 31 December 2020	<u>98,645</u>	<u>15,461</u>	<u>2,875,231</u>
<b>DEPRECIATION</b>			
At 1 January 2020	86,476	13,972	848,676
Charge for year	8,171	3,092	82,488
Eliminated on disposal	(9,138)	(7,358)	(142,693)
At 31 December 2020	<u>85,509</u>	<u>9,706</u>	<u>788,471</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>13,136</u>	<u>5,755</u>	<u>2,086,760</u>
At 31 December 2019	<u>21,308</u>	<u>8,848</u>	<u>2,082,802</u>

Included in cost or valuation of land and buildings is freehold land of £193,875 (2019 - £193,875) which is not depreciated.

Freehold Property cost consists of Quaker House £2,024,558 and 38b Barton Road £328,400.

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**11. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under finance leases are as follows:

	Computer Equipment £
<b>COST</b>	
At 1 January 2020 and 31 December 2020	<u>8,505</u>
<b>DEPRECIATION</b>	
At 1 January 2020	2,268
Charge for year	<u>1,701</u>
At 31 December 2020	<u>3,969</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>4,536</u>
At 31 December 2019	<u>6,237</u>

**12. STOCKS**

	31.12.20	31.12.19
	£	£
Stocks	<u>1,129</u>	<u>5,074</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Trade debtors	27,474	46,206
Other debtors	1,197	2,741
Prepayments	<u>2,256</u>	<u>2,231</u>
	<u>30,927</u>	<u>51,178</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Finance leases (see note 16)	1,701	1,701
Trade creditors	16,118	30,764
Social security and other taxes	31,314	25,002
Other creditors	63,896	55,139
Pension fund deficit	7,966	7,679
Deferred income	8,366	-
Accrued expenses	<u>68,059</u>	<u>63,215</u>
	<u>197,420</u>	<u>183,500</u>

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.20	31.12.19
	£	£
Hire purchase contracts and finance leases (see note 16)	2,548	4,249
Pension fund deficit	<u>33,470</u>	<u>40,372</u>
	<u>36,018</u>	<u>44,621</u>

**16. LEASING AGREEMENTS**

Minimum lease payments under finance leases fall due as follows:

	Finance leases	
	31.12.20	31.12.19
	£	£
Gross obligations repayable:		
Within one year	2,122	2,122
Between one and five years	<u>3,180</u>	<u>5,300</u>
	<u>5,302</u>	<u>7,422</u>
Finance charges repayable:		
Within one year	421	421
Between one and five years	<u>632</u>	<u>1,051</u>
	<u>1,053</u>	<u>1,472</u>
Net obligations repayable:		
Within one year	1,701	1,701
Between one and five years	<u>2,548</u>	<u>4,249</u>
	<u>4,249</u>	<u>5,950</u>

**17. MOVEMENT IN FUNDS**

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	1,015,444	(28,359)	987,085
Revaluation Reserve	<u>1,400,239</u>	<u>-</u>	<u>1,400,239</u>
	<u>2,415,683</u>	<u>(28,359)</u>	<u>2,387,324</u>
<b>TOTAL FUNDS</b>	<u>2,415,683</u>	<u>(28,359)</u>	<u>2,387,324</u>

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**17. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,343,224	(1,371,583)	(28,359)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>1,343,224</u>	<u>(1,371,583)</u>	<u>(28,359)</u>

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	1,164,841	(149,397)	1,015,444
Revaluation Reserve	<u>1,400,239</u>	<u>-</u>	<u>1,400,239</u>
	<hr/>	<hr/>	<hr/>
	2,565,080	(149,397)	2,415,683
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>2,565,080</u>	<u>(149,397)</u>	<u>2,415,683</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,204,463	(1,353,860)	(149,397)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>1,204,463</u>	<u>(1,353,860)</u>	<u>(149,397)</u>

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2020.

**New Forest Quaker Care Home**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**19. PENSION FUND DEFICIT**

The Charity and its employees used to contribute to The Pensions Trust Growth Plan Series 3, a defined benefit scheme which is in deficit.

To eliminate the deficit The Pensions Trust has implemented a recovery plan which requires the Charity to make deficit contributions. The contributions were initially set at £6,629.40 pa for 10 years starting in April 2013 and increasing at 3% pa. In April 2016, the contributions were revised to £6,921.67 pa increasing at 3% pa and were extended to September 2025. Provision has been made for the deficit contributions payable at the balance sheet date.

The amount of the deficit fluctuates according to the life expectancy of members and investment returns. It could increase or decrease. Our contributions might therefore change again.

Since September 2009 all contributing employees changed to The Pensions Trust Growth Plan Series 4, a defined contribution scheme, which has no future contingent liabilities on the Home.

If the Charity were to withdraw from the Plan, it would be immediately liable for its share of the deficit (calculated on a buy-out valuation basis) at the date of withdrawal. At 30 September 2015 the cost of withdrawal would have been £90,439. The Growth Plan is one scheme (albeit made up of four series) so, as long as the Charity has active members in either Series 3 or 4, the liability will not be triggered. Full provision has not been made for this amount as the Charity has not withdrawn from the Plan.