

**Bethany Homestead
Financial Statements
Year Ended 31st January 2021**

Charity registration number: 1160448

**Bethany Homestead
Financial Statements
Year Ended 31st January 2021**

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Bethany Homestead
Charity Reference and Administrative Details
Year Ended 31st January 2021

Charitable Incorporated Organisation number 1160448

Trustees

R Adams
 Rev A W Avery
 D M Avery
 F T G Bird FCA
 I D Brown
 M P Buckby
 Dr R Calcraft (appointed 7.06.2021)
 A A Foster (resigned 27.07.2020)
 M R K Gibson BSc C Eng (resigned 23.08.2021)
 V W Griffiths FCA
 R J Hardwick
 J M Letts
 A Patterson (appointed 01.09.2020)
 J D Payne (deceased)
 L Preen
 M Smith
 J Stapleton BA (Arch) MCIOB MBIAT
 J W Stirling (resigned 10.12.2020)
 J H Wiggins

Chair of Trustees F T G Bird FCA

Registered office

Kingsley Road
 Northampton
 NN2 7BP

Auditor

Clifford Towers
 9 High Street
 Stony Stratford
 Milton Keynes
 MK11 1AA

Solicitor

Borneo Martell Turner Coulston
 29 Billing Road
 Northampton
 NN1 5DQ

Bankers

National Westminster Bank plc
 41 The Drapery
 Northampton
 NN1 2EY

The Trustees present their report and the audited financial statements of the charity for the year ended 31st January 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Trustees of the charity

The trustees who have served during the year and since the year end were as follows:

R Adams	Rev A W Avery
D M Avery	F T G Bird
I D Brown	M P Buckby
Dr R Calcraft (appointed 7.06.2021)	A A Foster (resigned 27.07.2020)
M R K Gibson (resigned 23.08.2021)	V W Griffiths
R J Hardwick	J M Letts
A Patterson (appointed 01.09.2020)	J D Payne (deceased)
L Preen	M Smith
J W Stirling (resigned 10.12.2020)	J E Stapleton
J H Wiggins	

Objectives and activities

The Object of the charity is the relief in need of sick or elderly persons belonging to or connected with the Baptist, Congregational or United Reformed Churches in Northampton and the surrounding area within a Christian Care complex and of such other sick or elderly persons not belonging to or connected to the afore mentioned churches in such ways as the Trustees may from time to time determine.

Public benefit statement

In setting the objectives and planning the activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. As the charity's Object is the care of the sick and elderly we believe this is evidently for public benefit.

Strategic Report

Achievements and performance

The Residential Care Home is registered by the Care Quality Commission (CQC) for 38 beds. The Management plans for 96% occupancy but actual occupancy was somewhat below this target for most of this year due to disruptions arising from the pandemic and lockdowns. Occupancy of the 33 Cottages was close to 100%.

Financial review (including reserves policy)

The result for the year showed a deficit on the year of £30,210 (2020 – deficit of £62,070) on Unrestricted Funds and a surplus for the year of £13,421 (2020– £61,544) on Restricted Funds. The deficit on unrestricted funds is higher than hoped for, due to problems attracting new Care Home residents, particularly self-funders, during periods of lockdown and similar restrictions. As shown in the SOFA, Bethany did receive substantial Government grants, particularly in relation to PPE and infection control without which the financial situation would have been very serious.

The reduction in the Appeal fund, including repayment of the bank loan, contributes to the surplus on restricted funds, but the absence of fund-raising events meant that we were unable to clear the Appeal Fund balance as was hoped when setting the 2020/21 budget. The bank loan attached to the Appeal Fund was repaid in October 2020.

The Trustees are grateful for all personal and charitable donations, legacies, in memory gifts and fundraising activities which produced £27,749 (2020 - £67,086) for the year.

The Trustees regularly consider the risks to which the Homestead is exposed and are satisfied that processes exist and are regularly monitored which identify such risks and the means of managing them.

**Bethany Homestead
Trustees' Annual Report
Year Ended 31st January 2021**

The Trustees also regularly review the level of reserves in the light of the expected levels of revenue and are satisfied that their current levels remain sufficient in the event of trading difficulties. The whole of the Charity's operations are continually monitored to identify risks and to ensure the comprehensive Risk Assessment, which has been completed in accordance with the Charity Commission recommendations, meets the Charity's requirements.

The total funds of the Homestead amount to £4,301,196 at 31 January 2021.

The unrestricted funds of the Homestead totalled £4,292,458 of which £3,500,993 relates to the Property Revaluation Reserve.

General Reserves total £744,685 and are regarded by the Trustees as a reasonable reserve against contingencies. Designated funds of £46,780 remain earmarked for future property improvement projects.

The Restricted Funds comprise a balance of £8,738 being £8,486 of Friends Of Bethany funds, £12,938 for the Chapel Maintenance Fund, £10,000 for Rodhouse Row redevelopment and a deficit of £22,686 on the Appeal Fund.

The Trustees have agreed that an independent external valuation of the Land and Buildings should be conducted every 3 years. The last formal valuation was conducted on 5 February 2019 and the trustees consider this remains applicable at 31 January 2020 (see note 13).

Plans for future periods

With the completion of the new Doddridge Row a few years ago there are no immediate plans for further property redevelopment. The deficit on the Appeal Fund would ordinarily have been expected to be cleared within the financial year under review, but the pandemic means that fundraising events were, and are still suspended. The Appeal Fund was cleared by 31 July 2021.

Covid-19 and Going Concern

The figures included in these financial statements give some indication of how the pandemic has impacted on the period under review. We should note, however, that the effect has been considerably mitigated by Government support.

Significant additional costs (for PPE and other equipment) were incurred in the lockdowns, but much of this was recovered under the various Government initiatives. Similarly, Bethany has benefitted from the Government's Job Retention Scheme in recovering 80% of the salaries for a small number of furloughed staff.

What the figures do not show is the extraordinary commitment of many members of staff who worked additional hours to cover isolating or unwell colleagues. The Care Manager, Colleen Barford, led this effort with courage and tenacity to support the staff and residents in very difficult circumstances which have now been impacting on us for over a year. The Trustees wish to record their gratitude to her specifically in this report.

Fortunately, Bethany has substantial financial reserves which enable it to ride out "storms" such as those noted above so Trustees consider there is no major threat to its going concern status from the effects of the pandemic. However, it will be important to rebuild resident numbers as quickly as possible to mitigate the financial downturn of 2020 and get close to our budgets for 2021. The effect of the pandemic has also been to put on hold most development plans.

We reported last year on the adverse CQC report delivered to the trustees in September 2019 and made public early in 2020. Remedial action was taken and Bethany has received verbal indications that we have done what was required. However, the CQC made a return visit in May 2021 and raised other points requiring improvement, so the Care Manager and Trustees are now engaged in a further round of improvement work (at considerable cost) to adhere to the CQC agenda, taking us away from longer term strategic aims for the improvement of facilities for the Bethany residents.

**Bethany Homestead
Trustees' Annual Report
Year Ended 31st January 2021**

Structure, governance and management

The Trustees meetings were disrupted due to lockdown restrictions on physical meetings, but in the second half of 2020 meetings by Zoom were enabled. Operational control is vested in the Management Committee which has also moved to online meetings and issues written minutes to the Trustees. The Finance and Property sub-committees have not met as much as usual but continue to report to the Management Committee through the Treasurer and the convenor of the Property Committee. Staffing matters are now delegated to the Care Home Manager and our HR Manager who report to the Management Committee. The General Committee comprising delegates from each of the covenanted churches has not met and alternative arrangements have been put in place to scrutinise and decide on applications for cottages etc.

Trustees are elected following nominations by covenanting churches. A maximum of twenty is prescribed in the original Trust Deed and this total should equally represent the participating denominations. New Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity's Trustees. The welcome pack includes a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need To Know' or signposting to the online version.

Having received Charity Commission and Care Quality Commission approval the activities of the then unincorporated charity registered at reference 203520 were transferred to this CIO, Charity Registration 1160448, on 11 February 2016. The registered charity 203520 has now been closed and deleted from the Charity Commission register.

The management and staff have again made an enormous contribution to the happy and successful running of the Homestead and the Trustees extend their sincere thanks to all who have participated.

The Trustees recognise the continued work of Bethany's dedicated team of voluntary helpers and extend their sincere appreciation to all its many supporters. It is not possible to place a value on the many hours of service so freely given.

Funds held as Custodian Trustee on behalf of others

The charity holds residents' monies on their behalf as a custodian trustee. Most of this is deposited in a designated Nationwide account with a small balance held as cash for current individual requirements. These funds are recorded and controlled by Senior Management under the supervision of the Treasurer. At 31 January 2021 the charity was acting as custodian trustee for £8,642 represented by balances at the Nationwide Building Society and in cash.

Fund-raising Standards

The Charity raises funds from the public. It does not use professional funder raisers or commercial participators but relies on trustees, staff and volunteers to carry out any fund-raising activities. It follows the Charity Commission Guidance "Charity fundraising: a guide to trustee duties (CC20)" when undertaking fund raising. The trustees are not aware of any failures to comply with this standard and monitor all fund-raising activities undertaken by the Charity.

When undertaking fund raising the Charity has a duty to protect vulnerable people and other members of the public from the following behaviours:

- Unreasonable intrusion on a person's privacy;
- Unreasonable persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity;
- Placing undue pressure on a person to give money or other property.

The Trustees have ensured that the Charity's fund-raising activities are undertaken without resorting to such behaviours.

**Bethany Homestead
Trustees' Annual Report
Year Ended 31st January 2021**

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report was approved by the trustees on 8 November 2021 and signed on their behalf by:



V W Griffiths FCA
Honorary Treasurer

**Bethany Homestead
Independent Auditor's Report to the trustees of Bethany Homestead
Year Ended 31st January 2020**

Opinion

We have audited the financial statements of Bethany Homestead for the year ended 31 January 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 January 2021, and of its incoming resources and application of resources, 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 Charities Act 2011.

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 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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.

Audit report continues on page 7.

**Bethany Homestead
Independent Auditor's Report to the trustees of Bethany Homestead
Year Ended 31st January 2021**

Audit report continued from page 6.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 4], the trustees are responsible for the preparation of financial statements which 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.

Auditor's responsibilities for the audit of the financial statements

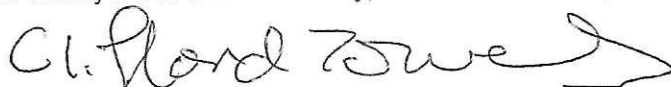
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



CLIFFORD TOWERS Statutory Auditors
9 High Street,
Stony Stratford,
Milton Keynes.

Statement of Financial Activities

Year Ended 31st January 2021

		Unrestricted funds	2021 Restricted funds	Total	2020 Total
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	12,269	15,480	27,749	67,086
Government grants (Covid-related)	3	108,684	-	108,684	-
Charitable activities	4	1,436,546	-	1,436,546	1,463,396
Other trading activities	5	-	-	-	12,055
Investments	6	8,449	-	8,449	8,775
Total income and endowments		1,565,948	15,480	1,581,428	1,551,312
Expenditure on:					
Raising funds		703	2,843	3,546	4,376
Charitable activities	7	1,593,311	1,069	1,594,380	1,546,134
Interest payable	13	291	-	291	1,328
Total expenditure		1,594,305	3,912	1,598,217	1,551,838
Net gains on investments		-	-	-	-
Net income		(28,357)	11,568	(16,789)	(526)
Transfers between funds		(1,853)	1,853	-	-
Other recognised gains / (losses):					
Gains on revaluation of fixed assets		-	-	-	-
Loss on disposal of fixed assets		-	-	-	-
Net movement in funds	19	(30,210)	13,421	(16,789)	(526)
Reconciliation of funds:					
Total funds brought forward	19	4,322,668	(4,683)	4,317,985	4,318,511
Total funds carried forward	19	4,292,458	8,738	4,301,196	4,317,985

All income and expenditure derive from continuing activities.

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

Bethany Homestead
Balance Sheet
Year Ended 31st January 2021

		2021 £	2020 £
	Note		
Fixed assets			
Tangible assets	14	3,996,137	4,032,215
Investment Property	14	175,000	175,000
		<u>4,171,137</u>	<u>4,207,215</u>
Current assets			
Debtors	15	69,976	29,677
Cash at bank and in hand		245,735	256,043
		<u>315,711</u>	<u>285,720</u>
Creditors: amounts falling due within one year	16	(185,652)	(174,950)
Net current assets		<u>130,059</u>	<u>110,770</u>
Total assets less current liabilities		<u>4,301,196</u>	<u>4,317,985</u>
Creditors: amounts falling due after more than one year	17	-	-
Net assets		<u>4,301,196</u>	<u>4,317,985</u>
Charity Funds			
Restricted funds	19	8,738	(4,683)
Unrestricted funds	19	744,685	771,675
Designated funds		46,780	50,000
Revaluation reserve	19	3,500,993	3,500,993
Total charity funds	19	<u>4,301,196</u>	<u>4,317,985</u>

The financial statements were approved and authorised for issue by the Board on 8 November 2021
Signed on behalf of the board of trustees



F T G Bird FCA
Chair of Trustees



V W Griffiths FCA
Hon. Treasurer

The notes on pages 10 to 20 form part of these financial statements.

Bethany Homestead
Statement of Cash Flows
Year Ended 31st January 2021

		2021 £	2020 £
	Note		
Cash flow from operating activities	21	6,925	19,085
Net cash flow from operating activities		<u>6,925</u>	<u>19,085</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		-	(58,656)
Interest received		244	675
Rents received from investment properties		8,205	8,100
Net cash flow from investing activities		<u>8,449</u>	<u>(49,881)</u>
Cash flow from financing activities			
Receipts from issue of new long term loans		-	-
Repayment of loans		(25,392)	(32,906)
Interest paid		(290)	(1,328)
Net cash flow from financing activities		<u>(25,682)</u>	<u>(34,234)</u>
Net increase / (decrease) in cash and cash equivalents		(10,308)	(65,030)
Cash and cash equivalents at 1st February 2020		256,043	321,073
Cash and cash equivalents at 31st January 2021		<u>245,735</u>	<u>256,043</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		245,735	321,073
Cash and cash equivalents at 31st January 2021		<u>245,735</u>	<u>321,073</u>

1 Summary of significant accounting policies

(a) General information and basis of preparation

Bethany is a Charitable Incorporated Organisation registered in England. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. No material uncertainties exist, other than in relation to the Covid-19 pandemic and its effect on the UK finances generally.

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

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Transfers between funds are done in accordance with the charitable objects at the discretion of the trustees.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Bethany Homestead
Notes to the Financial Statements
Year Ended 31st January 2021

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Donated facilities are included at their value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Capital grants received are netted off against related expenditure. Government grants in relation to the Covid-19 pandemic are included as income and disclosed separately in the SoFA.

The charity receives income from the Social Services to fund some of its residents.

For legacies, entitlement is deemed to be the earlier of the charity being notified of an impending distribution or the legacy being received. In respect of notified legacies, the income is recognised when the amount can reasonably be estimated and where receipt is probable.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and investment property. Income includes interest and rent. Interest income is recognised when received and rental income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources. Administrative costs have been directly allocated and other overheads have been allocated on the basis of income generated.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 8.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, except freehold property, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer equipment	100% in year of purchase
Fixtures and fittings	10% - 30% per annum on reducing balance
Motor vehicles	25% straight line

(g) Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

(h) Cash at bank and in hand

Included in cash at bank and in hand are amounts held within reserve accounts which bear interest. As these accounts grant instant access to the trustees, these short term, highly liquid investments have been included in cash at bank and in hand rather than being separately disclosed.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(k) Concessionary loans

Concessionary loans are loans from third parties which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable within one year, the loan is measured at cost, less impairment. Where the loan is repayable in more than one year, it is recognised at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

(l) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(m) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(n) Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

(o) Employee benefits

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are expensed as they become payable.

Bethany Homestead
Notes to the Financial Statements
Year Ended 31st January 2021

(p) Tax

The charity meets the definition of a charitable company for UK Corporation Tax purposes and is therefore only chargeable to Corporation Tax if its funds are not applied for charitable purposes.

(q) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist of sufficient size or gravity to threaten the continued operation of the Charity. The trustees have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. (Further information is given in the Trustees Annual Report)

2 Income from donations and legacies

	2021 £	2020 £
Personal donations	14,999	16,699
Gifts from outside organisations	-	1,365
Legacies	-	36,250
Church subscriptions	7,818	7,993
In memory	950	1,969
Chapel collections	378	2,810
Gift aid repayment	3,604	-
	<u>27,749</u>	<u>67,086</u>

Income from donations and legacies was £27,749 (2020 - £67,086) of which, £15,480 (2020 - £56,346) was attributable to restricted and £12,269 (2020 - £10,740) was attributable to unrestricted funds.

3 Income from Government grants

During the Covid pandemic the Government has put in place a number of grant schemes for assisting businesses to cover additional costs, including costs of temporary closure. For care homes specifically grants have been made to cover costs of infection control, PPE purchase, equipment purchases and Covid testing.

There was also the Job Retention Scheme which paid 80% of wages for staff who were furloughed, although this was of limited application to care homes where most staff continued to be engaged in their existing roles.

Some grants were paid without condition, and some required claims to identify specific expenditure.

In the latter case, grant income has been matched to the period in which the expenditure was incurred, if necessary, by a carry forward at the balance sheet date.

The main categories of grants receivable were:

PPE provision	£10,600
Covid Support Fund	£17,500
Infection control	£30,095
Covid testing	£6,717
Hardship Grant	£11,122
Staff furlough (JRS)	£36,085

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4 Income from charitable activities

	2021 £	2020 £
Care home		
Income from residents and NCC	1,166,122	1,202,478
Meals	18,643	17,150
Sundry receipts	2,261	2,204
Cottages		
Rents received	227,852	216,831
Gas, electricity and water receipts	21,668	24,733
	<u>1,436,546</u>	<u>1,463,396</u>

All of the income from charitable activities was attributable to unrestricted funds.

5 Income from other trading activities

	2021 £	2020 £
Fundraising events	-	12,055
	<u>-</u>	<u>12,055</u>

All the income from other trading activities (2020) was attributable to restricted funds.

6 Income from investments

	2021 £	2020 £
Interest – deposits	244	675
Rental income	8,205	8,100
	<u>8,449</u>	<u>8,775</u>

Income from investments was £8,449 (2020 - £8,844) of which £8,443 (2020 - £8,784) was attributable to unrestricted and £6 (2020 - £50) was attributable to restricted funds.

7 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2021 Total £
Care Home	1,204,256	160,353	1,364,609
Cottages	139,662	90,109	229,771
	<u>1,343,918</u>	<u>250,462</u>	<u>1,594,380</u>

£1,069 of the above costs were attributable to restricted funds. £1,593,311 of the above costs were attributable to unrestricted funds.

Comparative figures for previous year	Activities undertaken directly £	Support costs £	2020 Total £
Care Home	1,133,164	160,643	1,293,807
Cottages	150,543	101,784	252,327
	<u>1,283,707</u>	<u>262,427</u>	<u>1,546,134</u>

£1,203 of the above costs were attributable to restricted funds. £1,544,931 of the above costs were attributable to unrestricted funds.

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Notes to the Financial Statements
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8 Allocation of support costs

		Care Home	Cottages	2021 Total
Basis of allocation		£	£	£
Administrative staff, maintenance, utilities etc.	Direct	107,135	79,592	186,727
Governance	Income	9,047	1,788	10,835
Human resources support	Income	14,047	2,776	16,823
General management	Income	30,124	5,953	36,077
	Total	160,353	90,109	250,462

Comparative figures for previous year

		Care Home	Cottages	2020 Total
Basis of allocation		£	£	£
Administrative staff, maintenance, utilities etc.	Direct	120,705	93,892	214,597
Governance	Income	9,868	1,950	11,818
Human resources support	Income	14,484	2,862	17,346
General management	Income	15,586	3,080	18,666
	Total	160,643	101,784	262,427

9 Governance costs

	2021 £	2020 £
Auditor's remuneration	5,550	5,300
Legal fees	-	6,018
Support costs	500	500
	6,050	11,818

10 Auditor's remuneration

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	5,550	5,300

11 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2020: £Nil)

The trustees did not have any expenses reimbursed during the year (2020 - £Nil)

Key personnel remuneration during the year totalled £68,883 (2020: £67,450)

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12 Staff costs and employee benefits

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

	2021	2020
	Number	Number
Charitable activities	71	74
Management and administration	7	7
	<u>78</u>	<u>81</u>

The total staff costs and employees benefits was as follows:

	2021	2020
	£	£
Wages and salaries	1,069,458	1,020,741
Redundancy costs	9,273	-
Social security	64,511	54,263
Defined contribution pension costs	17,411	15,505
Training	4,858	7,893
	<u>1,165,511</u>	<u>1,098,402</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

13 Interest payable and similar charges

	2021	2020
	£	£
Bank loans and overdrafts	291	1,328
Concessionary loans	-	-
	<u>291</u>	<u>1,328</u>

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14	Tangible fixed assets	Investment properties £	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
	Cost or valuation:						
	At 1st February 2020	175,000	3,908,656	17,685	296,051	10,000	4,407,392
	Additions	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-
	At 31st January 2021	175,000	3,908,656	17,685	296,051	10,000	4,407,392
	Depreciation:						
	At 1st February 2020	-	-	17,685	172,492	10,000	200,177
	Charge for the year	-	-	-	36,078	-	36,078
	Eliminated on disposals	-	-	-	-	-	-
	At 31st January 2021	-	-	17,685	208,570	10,000	236,255
	Net book value:						
	At 31st January 2021	175,000	3,908,656	-	87,481	-	4,171,137
	At 31st January 2020	175,000	3,908,656	-	123,559	-	4,207,215

For each revalued class of tangible fixed assets, the charity is meant to disclose the carrying amount that would have been recognised had the assets been carried under the cost model. This disclosure is not possible as the revaluation reserve arose from the inclusion of freehold land and buildings and fixtures and fittings in the financial statements for the year ended 31 January 1995. Prior to this expenditure was written off in the year in which it was incurred. Thus there is no cost data available for this disclosure.

Freehold land and buildings and investment properties were subject to an independent, professional valuation at 5 February 2020. The valuation was undertaken by A Boulter, FRICS. The Care Home and the Cottages have been treated as Operational Properties and have been valued at £3,850,000 on the basis of Existing Use Value. The Investment Property is also valued on the basis of Existing Use Value, at £175,000

15	Debtors	2021 £	2020 £
	Debtors and prepayments	69,976	29,677
16	Creditors: amounts falling due within one year	2021 £	2020 £
	Concessionary loans	-	-
	Bank loans and overdrafts	-	25,392
	Creditors and accruals	170,941	137,371
	Other tax and social security	14,711	12,187
		185,652	174,950

Bank loans totalling £nil (2020 - £25,392) were secured by a 1st legal charge on 55A Kingsley Road (aka Hawtin Close) and its associated assets. The bank loan was cleared in October 2020 but the security remains in place to cover future possible project borrowings.

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17 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than one year	20,112	20,112
Later than one and not later than five years	57,159	77,271
Later than five years	-	-
	<u>77,271</u>	<u>97,383</u>

Operating lease payments are recognised as expenditure as they fall due.

18 Fund reconciliation

Unrestricted funds

	Balance at 1 Feb 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 Jan 2021 £
General Fund	771,675	1,565,948	(1,591,085)	(1,853)	-	744,685
Rodhouse Row redevelopment	50,000	-	(3,220)	-	-	46,780
Revaluation reserve	3,500,993	-	-	-	-	3,500,993
	<u>4,322,668</u>	<u>1,565,948</u>	<u>(1,594,305)</u>	<u>(1,853)</u>	<u>-</u>	<u>4,292,458</u>

Restricted funds

	Balance at 1 Feb 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 Jan 2021 £
Chapel maintenance	12,629	378	(1,069)	1,000	12,938
Friends of Bethany	5,402	6,074	(2,843)	(147)	8,486
Rodhouse Row redevelopment	10,000	-	-	-	10,000
Appeal Fund	(32,714)	9,028	-	1,000	(22,686)
	<u>(4,683)</u>	<u>15,480</u>	<u>(3,912)</u>	<u>1,853</u>	<u>8,738</u>

Fund descriptions

a) Unrestricted funds

General fund – these are unrestricted funds that are available to be spent for any purposes of the charity.

Consideration of a project to redevelop the Rodhouse Row properties has started and the trustees have allocated £50,000 from the legacy received from the late Mr F Garnett towards this.

Revaluation Reserve fund – this has arisen from the inclusion of freehold land and building and fixtures and fittings in the financial statements for the year ended 31 January 1995 at a valuation and subsequent revaluations.

b) Restricted funds

Chapel maintenance – this is a fund being accumulated for the specific purpose of maintaining the Chapel. Starting in 2012, £1,000 per annum will be transferred to it from the General Fund.

Friends of Bethany fund represents income from fundraising activities, the proceeds of which are used for direct charitable purposes at the discretion of the Friends of Bethany committee.

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18 b) Restricted funds - continued

Consideration of a project to redevelop the Rodhouse Row properties has started and a donation towards this project has been received. The trustees have also allocated part of the funds from the legacy received last year into a designated fund towards this project (see note on designated funds above).

Appeal Fund – the deficit represents the finance costs of the development of Doddridge Row which was finished before the requisite appeal funds had been raised. The shortfall was funded through a bank loan and concessionary loans. Appeal fundraising continues and the deficit is expected to clear within the next eighteen months..

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	4,171,137	-	4,171,137
Cash and current investments	306,973	8,738	315,711
Current liabilities	(185,652)	-	(185,652)
Total	4,292,458	8,738	4,301,196

20 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year	(16,789)	(526)
Rents received from investment properties	(8,205)	(8,100)
Interest receivable	(244)	(675)
Interest payable	290	1,328
Fixed asset revaluation	-	-
Depreciation and impairment of tangible fixed assets	36,078	17,463
Loss on disposal of tangible fixed assets	-	-
Decrease / (Increase) in debtors	(40,299)	14,586
Increase / (Decrease) in creditors	36,094	(4,991)
Net cash flow from operating activities	6,925	19,085

21 Pensions and other post-retirement benefits

Defined contribution pension plans:

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £17,411 (2020 - £15,505).

22 Funds held as a Custodian Trustee

Resident monies totalling £8,643 are held by the charity acting as a custodian Trustee.

23 Related party transactions

Donations received directly from trustees during the year totalled £1,300 (2020 - £500).
Donations from trustees as part of general fund-raising or donations organised through supporting churches cannot be separately identified. For trustees donated services see note 25 below.

24 Donated services

Volunteers (including trustees) provide services to Bethany in many forms including gardening, fundraising, entertainments, trolley service, mid-week services and arranging excursions. Many committee positions are fulfilled by volunteers as well.