

**Bethany Homestead  
Financial Statements  
Year Ended 31<sup>st</sup> January 2022**

Charity registration number: 1160448

**Bethany Homestead  
Financial Statements  
Year Ended 31<sup>st</sup> January 2022**

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**Bethany Homestead  
Charity Reference and Administrative Details  
Year Ended 31<sup>st</sup> January 2022**

**Charitable Incorporated Organisation number** 1160448

**Trustees**

R Adams  
Rev A W Avery  
D M Avery  
F T G Bird FCA  
I D Brown (resigned 28 February 2022)  
M P Buckby  
Dr R Calcraft (resigned 31 January 2022)  
V W Griffiths FCA  
R J Hardwick (resigned 14 May 2022)  
J M Letts (resigned 26 April 2022)  
A Patterson (resigned 28 February 2022)  
L Preen  
M Smith  
J Stapleton BA (Arch) MCIOB MBIAT  
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



**Bethany Homestead  
Trustees' Annual Report  
Year Ended 31<sup>st</sup> January 2022**

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> January 2022. 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 (resigned 28 February 2022)	M P Buckby
Dr R Calcraft (resigned 31 January 2022)	V W Griffiths
R J Hardwick (resigned 14 May 2022)	J M Letts (resigned 26 April 2022)
A Patterson (resigned 28 February 2022)	M Smith
L Preen	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 aforementioned 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 around 96%, mainly due to the time required to complete refurbishments on a change of occupant.

**Financial review (including reserves policy)**

The result for the year showed a deficit on the year of £36,723 (2021 – deficit of £30,210) on Unrestricted Funds and a surplus for the year of £38,570 (2021– £13,421) 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. It was also necessary to replace the roof of the main Care Home building at a cost of £38,745. 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 Appeal Fund, which supported the development of the new Doddridge Row cottages (completed in 2015), was finally cleared in July 2021 following a special appeal which was generously supported to raise the £20,000 approx. required.

The Trustees are grateful for all personal and charitable donations, legacies, in memory gifts and fundraising activities which produced £ 52,743 (2021 - £27,749) 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.



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Trustees' Annual Report  
Year Ended 31<sup>st</sup> January 2022**

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 £4,303,043 at 31 January 2022.

The unrestricted funds of the Homestead totalled £4,254,735 of which £3,500,993 relates to the Property Revaluation Reserve.

General Reserves total £706,962 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 £48,308 being £17,106 of Friends of Bethany funds, £15,614 for the Chapel Maintenance Fund, £10,000 for Rodhouse Row redevelopment and a balance of £5,588 on the new Appeal Fund.

The Trustees had previously agreed that an independent external valuation of the Land and Buildings should be conducted every 3 years. The Trustees decided to defer the scheduled January 2022 revaluation in the light of continuing Covid restrictions etc. and on the basis that any benefit of a revaluation in these circumstances was outweighed by the professional costs involved. The last formal valuation was conducted on 5 February 2019 and the trustees consider this remains applicable at 31 January 2022 (see note 14).

#### **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. However, the Trustees have been considering how to effect a major refurbishment or rebuild of Rodhouse Row.

#### **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 the last two years. 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 downturns of 2020 and 2021 and achieve to our budgets for 2022/23.

We reported in the last two years' accounts 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 have been engaged in a further round of improvement work (at considerable cost) to adhere to the CQC agenda, taking us away from longer term



**Bethany Homestead  
Trustees' Annual Report  
Year Ended 31<sup>st</sup> January 2022**

strategic aims for the improvement of facilities for the Bethany residents. The latest CQC visit in July 2022 confirmed that the remedial work undertaken had dealt with the majority of issues from the previous 2 visits, but attention was drawn to a small number of areas where the inspectors felt insufficient progress had been made. Accordingly, the CQC rated as "requires improvement" the category of "Is the service safe?" and "inadequate" in the area of "Is the service well-led?". An appeal was lodged but ignored. The Care Manager and Trustees are therefore engaged on another round of improvement work and monthly reporting to CQC.

**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 the HR Manager who report to the Management Committee. The General Committee comprising delegates from each of the covenanting 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 fairly 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 2022 the charity was acting as custodian trustee for £7,848 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.



**Bethany Homestead  
Trustees' Annual Report  
Year Ended 31<sup>st</sup> January 2022**

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

**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 26 September 2022 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 31<sup>st</sup> January 2022**

**Opinion**

We have audited the financial statements of Bethany Homestead for the year ended 31 January 2022 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 2022, 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.

**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:

***Audit report continues on page 7.***



**Bethany Homestead  
Independent Auditor's Report to the trustees of Bethany Homestead  
Year Ended 31<sup>st</sup> January 2022**

***Audit report continued from page 6.***

- 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 5, 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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](http://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 Auditor**  
9 High Street,  
Stony Stratford,  
Milton Keynes.  
MK11 1AA

*Clifford Towers*

**DATE: 24 November 2022**



## Statement of Financial Activities

Year Ended 31st January 2022

		Unrestricted funds	2022 Restricted funds	Total	2021 Total
	Note	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	2	11,565	41,178	52,743	27,749
Government grants (Covid-related)	3	64,795	-	64,795	108,684
Charitable activities	4	1,552,430	-	1,552,430	1,436,546
Other trading activities	5	-	-	-	-
Investments	6	8,387	-	8,387	8,449
<b>Total income and endowments</b>		<b>1,637,177</b>	<b>41,178</b>	<b>1,678,355</b>	<b>1,581,428</b>
<b>Expenditure on:</b>					
Raising funds		-	-	-	3,546
Charitable activities	7	1,673,899	2,609	1,676,508	1,594,380
Interest payable	13	-	-	-	291
<b>Total expenditure</b>		<b>1,673,899</b>	<b>2,609</b>	<b>1,676,508</b>	<b>1,598,217</b>
Net gains on investments		-	-	-	-
<b>Net income</b>		<b>(36,722)</b>	<b>38,569</b>	<b>1,847</b>	<b>(16,789)</b>
<b>Transfers between funds</b>		<b>(1,001)</b>	<b>1,001</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses):</b>					
Gains on revaluation of fixed assets		-	-	-	-
Loss on disposal of fixed assets		-	-	-	-
<b>Net movement in funds</b>	19	<b>(37,723)</b>	<b>39,570</b>	<b>1,847</b>	<b>(16,789)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	19	4,292,458	8,738	4,301,196	4,317,985
<b>Total funds carried forward</b>	19	<b>4,254,735</b>	<b>48,308</b>	<b>4,303,043</b>	<b>4,301,196</b>

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 2022**

		2022 £	2021 £
	Note		
<b>Fixed assets</b>			
Tangible assets	14	3,971,005	3,996,137
Investment Property	14	<u>175,000</u>	<u>175,000</u>
		4,146,005	4,171,137
<b>Current assets</b>			
Debtors	15	61,700	69,976
Cash at bank and in hand		<u>266,505</u>	<u>245,735</u>
		328,205	315,711
<b>Creditors: amounts falling due within one year</b>	16	(171,167)	(185,652)
<b>Net current assets</b>		<u>157,038</u>	<u>130,059</u>
<b>Total assets less current liabilities</b>		<u>4,303,043</u>	<u>4,301,196</u>
<b>Creditors: amounts falling due after more than one year</b>	17	-	-
<b>Net assets</b>		<u>4,303,043</u>	<u>4,301,196</u>
<b>Charity Funds</b>			
Restricted funds	18	48,308	8,738
Unrestricted funds	18	706,962	744,685
Designated funds	18	46,780	46,780
Revaluation reserve	18	3,500,993	3,500,993
<b>Total charity funds</b>	18	<u>4,303,043</u>	<u>4,301,196</u>

The financial statements were approved and authorised for issue by the Board on 26 September 2022  
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 2022**

	Note	2022 £	2021 £
<b>Cash flow from operating activities</b>	20	12,383	6,925
<b>Net cash flow from operating activities</b>		<u>12,383</u>	<u>6,925</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		-	-
Interest received		37	244
Rents received from investment properties		8,350	8,205
<b>Net cash flow from investing activities</b>		<u>8,387</u>	<u>8,449</u>
<b>Cash flow from financing activities</b>			
Receipts from issue of new long term loans		-	-
Repayment of loans		-	(25,392)
Interest paid		-	(290)
<b>Net cash flow from financing activities</b>		<u>-</u>	<u>(25,682)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		20,770	(10,308)
<b>Cash and cash equivalents at 1st February 2021</b>		245,735	256,043
<b>Cash and cash equivalents at 31st January 2022</b>		<u>266,505</u>	<u>245,735</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		266,505	245,735
<b>Cash and cash equivalents at 31st January 2022</b>		<u>266,505</u>	<u>245,735</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 2022**

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:

Equipment, Fixtures and fittings	10% - 30% per annum on reducing balance
Computer equipment	100% in year of purchase
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.



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**(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**

	2022 £	2021 £
Personal donations	29,734	14,999
Gifts from outside organisations	1,000	-
Legacies	10,365	-
Church subscriptions	4,589	7,818
In memory	-	950
Chapel collections	2,104	378
Gift aid repayment	4,951	3,604
	<u>52,743</u>	<u>27,749</u>

Income from donations and legacies was £52,743 (2021 - £27,749) of which, £41,178 (2021 - £15,480) was attributable to restricted and £11,565 (2021 - £12,269) 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.

The main categories of grants receivable were:

Infection control	£29,916
Covid testing	£24,436
Workforce Fund	£4,824
Staff furlough (JRS)	£5,707



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**4 Income from charitable activities**

	2022 £	2021 £
Care home		
Income from residents and NCC	1,263,902	1,166,122
Meals	17,752	18,643
Sundry receipts	4,737	2,261
Cottages		
Rents received	239,330	227,852
Gas, electricity and water receipts	26,709	21,668
	<u>1,552,430</u>	<u>1,436,546</u>

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

**5 Income from other trading activities**

	2022 £	2021 £
Fundraising events	<u>-</u>	<u>-</u>

All the income from other trading activities (2021) was attributable to restricted funds.

**6 Income from investments**

	2022 £	2021 £
Interest – deposits	37	244
Rental income	8,350	8,205
	<u>8,387</u>	<u>8,449</u>

Income from investments was £8,387 (2021 - £8,449) of which £8,387 (2021 - £8,443) was attributable to unrestricted and £ nil (2021 - £6) was attributable to restricted funds.

**7 Analysis of expenditure on charitable activities**

	Activities undertaken directly £	Support costs £	2022 Total £
Care Home	1,216,952	199,488	1,416,440
Cottages	178,991	81,077	260,068
	<u>1,395,943</u>	<u>280,565</u>	<u>1,676,508</u>

£2,609 of the above costs were attributable to restricted funds. £1,673,899 of the above costs were attributable to unrestricted funds.

**Comparative figures for previous year**

	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.



**Bethany Homestead**  
**Notes to the Financial Statements**  
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**8 Allocation of support costs**

		Care Home	Cottages	2022 Total
	Basis of allocation	£	£	£
Administrative staff, maintenance, utilities etc.	Direct	153,068	71,904	224,972
Governance	Income	9,042	1,787	10,829
Human resources support	Income	14,267	2,819	17,086
General management	Income	23,111	4,567	27,678
	Total	199,488	81,077	280,565

**Comparative figures for previous year**

		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

**9 Governance costs**

	2022 £	2021 £
Auditor's remuneration	5,550	5,550
CQC Registration fees	5,279	5,285
Legal fees	-	-
Support costs	-	500
	<u>10,829</u>	<u>11,335</u>

**10 Auditor's remuneration**

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>5,550</u>	<u>5,550</u>

**11 Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year (2021: £Nil)

The trustees did not have any expenses reimbursed during the year (2021 - £Nil)

Key personnel remuneration during the year totalled £71,243 (2021: £68,883)



**Bethany Homestead**  
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**12 Staff costs and employee benefits**

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

	2022 Number	2021 Number
Charitable activities	70	71
Management and administration	7	7
	<u>77</u>	<u>78</u>

The total staff costs and employees benefits was as follows:

	2022 £	2021 £
Wages and salaries	1,063,385	1,069,458
Redundancy costs	-	9,273
Social security	67,392	64,511
Defined contribution pension costs	18,204	17,411
Training	6,014	4,858
	<u>1,154,995</u>	<u>1,165,511</u>

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

**13 Interest payable and similar charges**

	2022 £	2021 £
Bank loans and overdrafts	-	291
Concessionary loans	-	-
	<u>-</u>	<u>291</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 2021	175,000	3,908,656	17,685	296,051	10,000	4,407,392
	Additions	-	-	-	1,861	-	1,861
	Disposals	-	-	-	-	-	-
	At 31st January 2022	175,000	3,908,656	17,685	297,912	10,000	4,409,253
	Depreciation:						
	At 1st February 2021	-	-	17,685	208,570	10,000	236,255
	Charge for the year	-	-	-	26,993	-	26,993
	Eliminated on disposals	-	-	-	-	-	-
	At 31st January 2022	-	-	17,685	235,563	10,000	263,248
	Net book value:						
	At 31st January 2022	175,000	3,908,656	-	62,349	-	4,146,005
	At 31st January 2021	175,000	3,908,656	-	87,481	-	4,171,137

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 2019. 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**

	2022 £	2021 £
Debtors and prepayments	61,700	69,976

**16 Creditors: amounts falling due within one year**

	2022 £	2021 £
Concessionary loans	-	-
Bank loans and overdrafts	-	-
Creditors and accruals	155,949	170,941
Other tax and social security	15,218	14,711
	171,167	185,652

Previous Bank borrowing was secured by a 1st legal charge on 55A Kingsley Road (aka Hawtin Close) and its associated assets.

In the year under review there has been no bank borrowing



## 17 Leases

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

	2022 £	2021 £
Not later than one year	20,112	20,112
Later than one and not later than five years	37,047	57,159
Later than five years	-	-
	<u>57,159</u>	<u>77,271</u>

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

## 18 Fund reconciliation

### Unrestricted funds

	Balance at 1 Feb 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 Jan 2022 £
General Fund	744,685	1,637,177	(1,673,899)	(1,001)	-	706,962
Rodhouse Row redevelopment	46,780	-	-	-	-	46,780
Revaluation reserve	3,500,993	-	-	-	-	3,500,993
	<u>4,292,458</u>	<u>1,637,177</u>	<u>(1,673,899)</u>	<u>(1,001)</u>	<u>-</u>	<u>4,254,735</u>

### Restricted funds

	Balance at 1 Feb 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 Jan 2022 £
Chapel maintenance	12,938	2,105	(430)	1,001	15,614
Friends of Bethany	8,486	12,798	(2,179)	(1,999)	17,106
Rodhouse Row redevelopment	10,000	-	-	-	10,000
Appeal Fund - Doddridge Row	(22,686)	20,687	-	1,999	0
Appeal Fund - new fund	-	5,588	-	-	5,588
	<u>8,738</u>	<u>41,178</u>	<u>(2,609)</u>	<u>1,001</u>	<u>48,308</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 previous year 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.

The Appeal Fund was cleared through an additional separate appeal in July 2021 which was generously supported.

**19 Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	4,146,005	-	4,146,005
Cash and current investments	279,897	48,308	328,205
Current liabilities	(171,167)	-	(171,167)
<b>Total</b>	<b>4,254,735</b>	<b>48,308</b>	<b>4,303,043</b>

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

	2022 £	2021 £
Net income for the year	1,847	(16,789)
Rents received from investment properties	(8,350)	(8,205)
Interest receivable	(37)	(244)
Interest payable	-	290
Fixed asset revaluation	-	-
Depreciation and impairment of tangible fixed assets	25,132	36,078
Loss on disposal of tangible fixed assets	-	-
Decrease / (Increase) in debtors	8,276	(40,299)
Increase / (Decrease) in creditors	(14,485)	36,094
<b>Net cash flow from operating activities</b>	<b>12,383</b>	<b>6,925</b>

**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 £18,204 (2021 - £17,411).

**22 Funds held as a Custodian Trustee**

Resident monies totalling £7,848 are held by the charity acting as a custodian Trustee.

**23 Related party transactions**

Donations received directly from trustees during the year totalled £4,145 (2021 - £1,300).

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 24 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.