

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

(Continued)

Department of Health - a grant has been received for £Nil (2019: £17,161) as part of the Voluntary Sector Investment Programme: Health and Social Care Volunteering Fund. The grant is for the 'Volunteer Empowerment and Supporting Scheme - 'Together - You Can Do It'.

The total amount of government grants recognised in the financial statements was £Nil (2019: £17,161).

4 Charitable activities

	2020 £	2019 £
Housing benefits and rents	(3,902)	42,809
Miscellaneous income	15,001	16,262
Complex Needs Support Service	-	27,378
Complex Needs Support Service - resettlement	-	10,156
Young People/Family Unit Service fees	195,160	182,679
Detox Centre fees	864,708	764,564
Rehab Centre Service fees (including client contributions)	389,609	260,884
	<u>1,460,576</u>	<u>1,304,732</u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>4,248</u>	<u>3,677</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Charitable activities

	Unrestricted Fund £	Restricted Fund £	2020 £	2019 £
Staff costs	884,092	57,678	941,770	960,156
Depreciation and impairment	25,589	35,829	61,418	62,584
Consumables	68,335	6,696	75,031	61,411
Other direct costs	43,519	1,511	45,030	67,445
Establishment costs	82,169	-	82,169	87,524
Repairs and maintenance	15,986	-	15,986	29,005
Office expenses	23,313	479	23,792	23,195
Motor, travel & subsistence expenses	14,659	-	14,659	16,516
Printing, posting and stationary	7,094	-	7,094	10,400
Advertising and promotion	1,178	-	1,178	762
Legal and professional	1,020	-	1,020	1,005
	<u>1,166,954</u>	<u>102,193</u>	<u>1,269,147</u>	<u>1,320,003</u>
Share of support costs (see note 7)	243,918	-	243,918	230,125
Share of governance costs (see note 7)	20,204	-	20,204	18,878
	<u>1,431,076</u>	<u>102,193</u>	<u>1,533,269</u>	<u>1,569,006</u>
For the year ended 31 March 2019				
Unrestricted funds				1,430,229
Restricted funds				138,777
				<u>1,569,006</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	215,840	12,963	228,803	209,813
Establishment costs	-	-	-	3,815
Office expenses	40	-	40	2,324
Sundry and other costs	2,627	-	2,627	4,305
Motor, travel and subsistence expenses	5,531	-	5,531	2,663
Advertising and promotion	4,716	-	4,716	3,581
Legal and professional costs	14,483	-	14,483	15,224
Bank charges	681	-	681	761
Audit fees	-	2,500	2,500	2,500
Accountancy	-	4,741	4,741	3,822
Cost of trustees meetings	-	-	-	195
	<u>243,918</u>	<u>20,204</u>	<u>264,122</u>	<u>249,003</u>
Analysed between				
Charitable activities	<u>243,918</u>	<u>20,204</u>	<u>264,122</u>	<u>249,003</u>

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020	2019
	£	£
Audit of the charity's annual accounts	2,500	2,500
Non-audit services		
All other non-audit services	-	1,800

9 Trustees

During the year Nil (2019: One) trustee was reimbursed for sundry travel and subsistence expenses totalling £Nil (2019: £184). At the year end there was £Nil owing to the trustee (2019: £184).

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

No trustees (or any persons connected with them) received any other benefits from the charity during the year.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Charitable activities	43	48
Central services	8	7
Governance	1	1
	<u>52</u>	<u>56</u>

Employment costs

	2020 £	2019 £
Wages and salaries	1,072,365	1,076,864
Social security costs	77,333	80,310
Other pension costs	20,875	12,795
	<u>1,170,573</u>	<u>1,169,969</u>

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

11 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2019	2,755,027	24,785	224,510	34,193	3,038,515
Additions	17,097	-	-	-	17,097
Disposals	-	-	(2,058)	(1,781)	(3,839)
At 31 March 2020	<u>2,772,124</u>	<u>24,785</u>	<u>222,452</u>	<u>32,412</u>	<u>3,051,773</u>
Depreciation and impairment					
At 1 April 2019	378,895	18,713	179,037	30,579	607,224
Depreciation charged in the year	40,342	2,208	16,102	2,766	61,418
Eliminated in respect of disposals	-	-	(2,058)	(1,781)	(3,839)
At 31 March 2020	<u>419,237</u>	<u>20,921</u>	<u>193,081</u>	<u>31,564</u>	<u>664,803</u>
Carrying amount					
At 31 March 2020	<u>2,352,887</u>	<u>3,864</u>	<u>29,371</u>	<u>848</u>	<u>2,386,970</u>
At 31 March 2019	<u>2,376,132</u>	<u>6,072</u>	<u>45,473</u>	<u>3,614</u>	<u>2,431,291</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Tangible fixed assets (Continued)

The gross book value of freehold land and buildings includes £2,022,124 (2019: £2,005,027) of depreciable assets.

In the opinion of the trustees the market value of the land is in excess of its carrying value.

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	214	1,998
Prepayments and accrued income	155,774	141,149
	<u>155,988</u>	<u>143,147</u>

13 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		28,376	25,909
Deferred income	14	21,380	25,687
Trade creditors		14,101	16,392
Other creditors		3,406	3,965
Accruals		23,522	29,090
		<u>90,785</u>	<u>101,043</u>

14 Deferred income

	2020 £	2019 £
Arising from fees received in advance	21,380	25,687
	<u>21,380</u>	<u>25,687</u>

During the year, £25,687 (2019: £16,454) was released to income from previous periods and £21,380 (2019: £25,687) of incoming resources was deferred.

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £20,875 (2019: £13,019). Pension liabilities are allocated to unrestricted and restricted funds on the same basis as other employee-related costs unless the terms of a restriction prohibit the allocation of such costs to a restricted fund.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 March 2020 £
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	
Quiet Room (Sanctuary) Fund	21,483	-	(368)	21,115	-	(368)	20,747
PCT Detox Centre Development Project Fund	1,356,951	-	(23,031)	1,333,920	-	(22,980)	1,310,940
PDC Detox Development Project Fund	13,670	-	(355)	13,315	-	(407)	12,908
Residents' Benevolent Fund	2,069	-	-	2,069	-	(45)	2,024
Girdlers Artist Materials Fund	3,282	-	(604)	2,678	-	(326)	2,352
Public Health England Grant	429,470	-	(6,340)	423,130	-	(6,338)	416,792
Health and Social Care Volunteering Fund	-	17,161	(17,161)	-	-	-	-
West Cornwall Trust	922	3,000	(2,782)	1,140	-	(1,140)	-
The Clothworkers Foundation	11,610	-	(3,350)	8,260	-	(2,760)	5,500
The Trusthouse Charitable Foundation	41,938	-	(618)	41,320	-	(617)	40,703
The Rayne Foundation	-	29,000	(29,000)	-	-	-	-
Duchy Health Charity	-	20,000	(267)	19,733	-	(400)	19,333
Ernest Cook Trust	12,000	-	-	12,000	-	(12,000)	-
Awards for All	10,000	-	(10,000)	-	10,000	(133)	9,867
Henry Smith	-	27,400	(27,400)	-	28,000	(28,000)	-
Girdlers	-	7,500	(7,500)	-	10,000	(10,000)	-
Nineveh Trust	-	5,000	(4,322)	678	5,000	(5,678)	-
Bernard Sunley	-	5,000	(67)	4,933	-	(100)	4,833
Garfield Weston	-	10,000	(71)	9,929	-	(106)	9,823
Funds less than £2,000	10,061	5,599	(5,541)	10,119	9,160	(10,795)	8,484
	<u>1,913,456</u>	<u>129,660</u>	<u>(138,777)</u>	<u>1,904,339</u>	<u>62,160</u>	<u>(102,193)</u>	<u>1,864,306</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 MARCH 2020***

16 Restricted funds**(Continued)**

Restricted funds represent ongoing projects and the trustees consider the balances to be sufficient.

Purposes of restricted funds are as follows:

The Sanctuary Fund represents a building at Bosence used as a quiet room for meditation and contemplation.

The PCT Detox Centre Development Project Fund represents the capital development costs for a Detox Centre. Penwith District Council and the Sustainable Building grant also provided capital funds for this project.

The Public Health England grant is a capital grant received to help fund the building of a new family unit.

All other grants were given for specific activities and projects.

Sufficient resources are held to enable all funds to be applied in accordance with any restrictions.

Further details on restricted funds can be found within the Trustees' Annual Report.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Resources expended £	Transfers £	Balance at 1 April 2019 £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Sanctuary Reserve	15,000	-	-	15,000	-	-	15,000
Vehicle Reserve	20,000	-	-	20,000	-	-	20,000
Bosence Farm Reserve	428,367	(3,000)	-	425,367	(7,233)	-	418,134
Family Unit	75,000	-	(50,000)	25,000	-	-	25,000
Horticultural Project Reserve	20,000	-	(10,000)	10,000	(1,831)	(8,169)	-
Bosence Staff Offices Upgrade Reserve	10,500	(7,233)	-	3,267	(3,000)	-	267
Counselling Pods Reserve	12,000	-	(12,000)	-	-	-	-
Subsidised Beds Reserve	20,000	(13,390)	(6,610)	-	-	-	-
Fixed Operating Costs Reserve	605,000	-	-	605,000	-	-	605,000
Laundry Shed Reserve/Refurbishment Reserve	-	-	10,300	10,300	-	-	10,300
	<u>1,205,867</u>	<u>(23,623)</u>	<u>(68,310)</u>	<u>1,113,934</u>	<u>(12,064)</u>	<u>(8,169)</u>	<u>1,093,701</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 MARCH 2020***

17 Designated funds**(Continued)**

The purpose of the designated reserves, as set by the board of directors, is as follows:

The Sanctuary reserve is a provision for future work to be done at the Sanctuary.

The vehicle reserve is for the replacement of the vehicles used by the charity.

The Bosence Farm reserve is to provide accommodation, and is wholly represented by fixed assets.

The Family Unit fund was created to accrue for funds to be spent on a new family unit and £150,000 was designated to cover 6 months estimated running costs of the Family unit.

The Horticultural Project reserve was created to accrue for funds to be spent on a new horticultural project. Balance transferred to general reserve as alternative funding secured.

The Bosence Staff Offices Upgrade reserve was created to accrue funds used towards installation of a new central heating system in 2017 and is wholly represented by fixed assets.

The Counselling Pods reserve was created to accrue for funds to be spent on new counselling pods.

The Subsidised Beds reserve was created to allocate part of a legacy received to subsidise treatment of an individual.

The Fixed Operating Costs reserve was created to designate funds that represent six months of fixed operating costs.

The Laundry Shed reserve was created to designate funds for replacement of the existing laundry building. This designated reserve was not required as alternative funding was received and transferred into the new Refurbishment reserve.

The Refurbishment reserve was created for the redecorating and maintenance of the Bosence Farm and Detox buildings.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	538,626	1,848,344	2,386,970	557,117	1,874,174	2,431,291
Current assets/ (liabilities)	875,918	15,962	891,880	814,449	30,165	844,614
	<u>1,414,544</u>	<u>1,864,306</u>	<u>3,278,850</u>	<u>1,371,566</u>	<u>1,904,339</u>	<u>3,275,905</u>

19 Free reserves reconciliation

The free reserves (unrestricted funds that are not designated or represented by fixed assets) belonging to the charity as at 31 March 2020 are calculated as follows:

	£
Unrestricted funds	1,414,544
Less: Tangible assets (as per note 18)	(538,626)
Less: Designated funds not represented by fixed assets	(675,300)
Free reserves	<u>200,618</u>

20 Financial commitments, guarantees and contingent liabilities

The property at Bosence has a fixed charge relating to monies advanced by the Secretary of State for Health for its purchase. Should the charity cease to exist for the purpose for which it was set up then an amount equal to that portion of the open market value of the property as at the date of valuation as is attributable to the expenditure of the original grant, or £100,000 whichever is the greater sum, will be repayable.

NHS England have a legal charge over the property at Bosence for the repayment sum and an option to purchase land at Bosence. The option is exercisable within a period of 21 years from 31 March 2009 less one day. If any terms of the agreement between the charity and NHS England relating to the detoxification facility at Bosence Farm are breached NHS England can exercise the option agreement and require payment of the repayment sum. Should the charity sell Bosence then written agreement from NHS England is required and NHS England would require to be paid the repayment sum. The repayment sum being that part of the open market value of the land as at the date of valuation as is attributable to the expenditure of the original capital grant after deduction of any part of the capital grant repaid or the value of the capital grant £1,694,000, whichever is the greater sum.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	7,657	7,657
Between two and five years	20,964	27,613
In over five years	-	1,008
	<u>28,621</u>	<u>36,278</u>

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate remuneration	<u>119,156</u>	<u>115,237</u>

23 Analysis of changes in net funds

The charity had no debt during the year.

24 Cash generated from operations

	2020 £	2019 £
Surplus/(deficit) for the year	2,945	(122,434)
Adjustments for:		
Investment income recognised in statement of financial activities	(4,248)	(3,677)
Depreciation and impairment of tangible fixed assets	61,418	62,584
Movements in working capital:		
(Increase)/decrease in debtors	(12,841)	83,621
(Decrease)/increase in creditors	(5,951)	14,388
(Decrease)/increase in deferred income	(4,307)	9,233
Cash generated from operations	<u><u>37,016</u></u>	<u><u>43,715</u></u>