

Ince Blundell Hall Trust and Nursing Home

Owned by the Congregation of the
Augustinian Canonesses
of the Mercy of Jesus

Trustees' Report and Audited
Financial Statements
For the year ended 31 March 2020

INCE BLUNDELL HALL TRUST & NURSING HOME

Reports and financial statements

For the year ended 31 March 2020

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INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2020

Introduction

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2020. 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.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 (FRS102) published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018).

Bankers

The Royal Bank of Scotland
Liverpool Group of Branches
1 Dale Street
Liverpool L2 2PP

Investment Advisors

Deutsche Bank
Royal Liver Building
Pier Head
Liverpool L3 1NY

Auditors

Champion Accountants LLP
Registered Auditors
4 Nile Close
Nelson Court Business Centre
Preston
PR2 2XU

Insurance Brokers

Premier Business Care Insurance
Lancashire Business Park
4 Mannin Way
Lancaster
LA1 3SW

Principal address

Ince Blundell Hall
Ince Blundell
Liverpool
L38 6JL

Organisation

Ince Blundell Hall was purchased by the Augustinian Sisters at the request of Cardinal Heenan to care for the sick and retired priests of the Diocese. As a Canonical Order practising works of mercy, this apostolate fitted very well with the Sisters' religious life commitment of prayer and service.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2020 *(continued)*

The original concept was developed by the Augustinian Community and was subsequently extended so that their services, as a Nursing Order, would also be available to non-clergy. The Governing Document of the charity is the principal Trust Deed dated 24 May 1967. Further supplementary deeds have been registered dated 1 September 1989, 31 March 1993 and 30 September 2011. The charity is registered at the Charity Commission under the number 251782.

The day-to-day management of Ince Blundell Hall Nursing Home and Trust is fulfilled through elected Community Council. The Trustees for the current year are:

Trustee	-	Sister Gemma Maria Hughes
Trustee	-	Sister Marie Laura Hughes
Trustee	-	Mr James Dillon
Trustee	-	Mrs Donna Marie Edgley
Trustee	-	Mr George Albert Edgley

The Principal Activities and Aims of the Apostolate fall broadly into three sections.

1. The Nursing Home

Ince Blundell Hall was purchased by the Augustinian Sisters at the request of Cardinal Heenan to care for the sick retired priests of the Archdiocese. As a Canonical Order practising works of mercy this apostolate fitted very well with the Sisters religious life commitment of prayer and service.

During this year the nursing home has maintained its high standards having recently been graded 'Good' once again by CQC but at a much greater expense due to the employment of agency staff.

Following the extreme shortage of registered nurses throughout the country and those available only working through agencies, as with most nursing homes, Ince Blundell Hall has incurred a substantial financial loss, this has been subsidised by the Charity therefore the Trustees are discussing new ways to maintain the Charity.

The Sisters have now retired from nursing duties, they are a daily pastoral presence in the Home and involved in the governance with the lay trustees.

The management of the Home is now the responsibility of lay people with a team of nurses, carers and ancillary staff to support them.

2. The Wider Community

Ince Blundell Hall is the place where, as a religious Community and individually, the Sisters live out their charism, touching the lives of many people through diverse situations. Examples of these include:

- Respite care for carers
- Centre for alternative therapies
- Days for people with Learning Disabilities
- Hosting Lectures for all Health Professionals
- Facilities for inter-denominational retreats
- Quiet days for writers
- Inter-denominational Seminars
- Schoolchildren
- Scholars of Classical Sculpture
- Botanical Students
- Operatic Societies
- English Heritage Open Days... and many more

With the agreement of our residents, we aim to extend our Augustinian hospitality and support in every way to all who wish to visit Ince Blundell Hall.

3. Heritage Assets

An integral part of our aims is to ensure that the heritage assets at Ince Blundell Hall are cared for and preserved for future generations. Individuals and groups interested in heritage and history visit the Hall and grounds on a regular basis. Again, demand from various groups (including U2A, Arts Groups and Classical Scholars) is high. The Trustees would like to provide a 'Heritage Gallery' which would tell the story of this famous place and celebrate the achievements of Henry Blundell. This could also incorporate a conference / lecture facility. These ideas are currently being explored with English Heritage and various statutory and non-statutory bodies.

Because of the scale of development planned, all of these activities are under constant review by the Trustees.

Public Benefits

The public benefits that the Charity provides include;

- Caring for the sick and terminally ill
- Contributing to the mental and spiritual health of everybody with whom they are in contact
- Caring for elderly members of the order
- Providing sacred places, churches and worship services
- Providing retreats and quiet days for religious and lay people
- Providing cultural benefits – access to Listed Buildings and grounds
- Preserving and maintaining Listed Buildings and Heritage items

INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2020 (*continued*)

Review of the activities

During the year, the nursing home has maintained its high standards and has been as fully occupied as is practically possible, in order to continue excellent care for all residents.

The trustees have a plan, subject to appropriate Papal consent, to establish a new Charitable Incorporated Organisation (CIO). This will encourage more lay people to join in the management of the charity and its assets and is in accordance with the wishes of the Mother General of the Augustinian Order.

Whilst awaiting Papal consent the Charity was wrongly, and without the knowledge of the Trustees, removed from the Central Register of Charities. This caused problems which have now been corrected and matters are proceeding.

The Trustees, with the advice of experts, have begun a planning process in respect of the potential future of Ince Blundell Hall and its immediate environs. A building left vacant last June is to be restored and refurbished to create a small multi-functional centre in the grounds. This is scheduled to be completed by the end of 2020.

Financial report for the year

The financial results of the nursing home and trust for the year to 31 March 2020 are set out in the financial report. A deficit of £160,154 (2019: £279,048) was sustained from the activities of the charity but when the losses on investments of £397,860 (2019: loss £3,686) was added this meant a decrease in funds of £558,014 (2019: decrease £282,734) as at 31st March.

On the Balance Sheet, a property reserve shows the unrealised gain relating to land and buildings at Ince Blundell Hall and it is from these land and buildings that the charity activities take place. As a Grade II listed building, the property is very expensive to maintain but the Trustees consider that this is a functional working property of the charity. It should not be considered as an asset that would be easily saleable and this, together with its existing use, is the reason for a separate property reserve as it most certainly is not a liquid asset.

The general reserves have accumulated over a lengthy period of time. Whilst these appear to be reasonably healthy, it must be noted that there is no specific pension provision for members of the Order and as the members grow older, retire and need nursing care themselves in old age, these reserves will be required to maintain the Order's own sisters.

The trustees maintain an investment portfolio that is managed on the charity's behalf by Tilney BestInvest. The investment objectives are to maximise long term total returns with a commensurate degree of risk. The portfolios comprise a mixture of gilts and equities and the results for the year show losses of £397,860 as noted above. The trustees are in regular contact with the investment advisers and meet at least annually if not more often to examine the policy and the performance of the funds. Dividend income of £81,337 was generated from the portfolios also and this sum was considered very acceptable by the trustees.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2020 *(continued)*

Reserves Policy and Future Plans

The reasons for the need for reserves is as explained above, in particular the requirement for the care of the Sisters in the present and future. The free reserves on the Balance Sheet demonstrate a free reserves figure of £2,778,652 and this represents approximately 3 years of income at current levels.

There are plans in the development stages for the renovation of listed properties on the grounds of Ince Blundell and reserves will be utilised for these purposes. Such building work will require major investment and monies have been specifically earmarked for future developments.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks. Covid-19 presents very real challenges to nursing and care homes. Particular measures have been put in place for the safety of the residents and staff and all risks associated with the virus have been assessed with the necessary provisions made.

Trustees' Responsibilities Statement

The trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity's financial activities during the year and of its financial position at the year end. The trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the Charity. They also have a responsibility for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

The Trustees for the Charity in England

The following persons were trustees of the charity, as defined by the provisions of the Charities Act 2011 and were in office at 31 March 2020 and served throughout the year.

Sister Marie Laura Hughes
Sister Gemma Maria Hughes
Mr James Dillon
Mrs Donna Marie Edgley
Mr George Albert Edgley

The trustees are appointed by the Superior of the Society, in accordance with the provisions of the governing document of the charity.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2020 *(continued)*

By order of the Council

..... Sister Gemma Maria Hughes
Sister Gemma Maria Hughes
Reverend Mother

Date of approval: 29th January 2021

INCE BLUNDELL HALL TRUST AND NURSING HOME

Independent Auditors' Report to the trustees of Ince Blundell Hall Trust and Nursing Home

Opinion

We have audited the financial statements of Ince Blundell Hall Trust and Nursing Home for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

Independent Auditors' Report to the trustees of Ince Blundell Hall Trust and Nursing Home
(continued)

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

We have nothing to report in this regard.

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

Respective responsibilities of trustees and auditors

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.

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.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Independent Auditors' Report to the trustees of Ince Blundell Hall Trust and Nursing Home (continued)

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.

Champion Accountants LLP

.....
Susan Harris MA ACA (Senior Statutory Auditor)

Date: 30 January 2021
.....

For and on behalf of
Champion Accountants LLP
Chartered Accountants & Statutory Auditors
4 Nile Close
Chain Caul Way
Riversway
Preston PR2 2XU

Champion Accountants LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

INCE BLUNDELL HALL TRUST AND NURSING HOME

Statement of financial activities for the year ended 31 March 2020

		Unrestricted funds	
	Note	2020 £	2019 £
Income and endowments from:			
Donations and legacies		21,660	11,403
Investments	2	103,141	87,372
Charitable activities	3	835,100	768,947
		<hr/>	<hr/>
Total income and endowments		959,901	867,722
		<hr/>	<hr/>
Expenditure on:			
Investment management costs	4	16,844	16,364
Charitable activities	5	1,065,890	1,020,455
Other	5	37,321	109,951
		<hr/>	<hr/>
Total expenditure		1,120,055	1,146,770
		<hr/>	<hr/>
Net expenditure before net losses on investments		(160,154)	(279,048)
Net losses on investments	7	(397,860)	(3,686)
		<hr/>	<hr/>
Net expenditure and movement in funds		(558,014)	(282,734)
Reconciliation of funds:			
Balances brought forward at 1 April 2019		4,512,105	4,794,839
		<hr/>	<hr/>
Balances carried forward at 31 March 2020		3,954,091	4,512,105
		<hr/>	<hr/>

All funds are unrestricted.

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

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 13 to 21 form part of these financial statements.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Balance sheet as at 31 March 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	6		1,098,540		1,147,404
Investments	7		2,239,080		2,652,654
			<hr/>		<hr/>
			3,337,620		3,800,058
Current assets					
Debtors	8	121,085		592,140	
Cash at bank and in hand		587,216		332,315	
		<hr/>		<hr/>	
		708,301		924,455	
Creditors: amounts falling due within one year	9	(91,830)		(212,408)	
		<hr/>		<hr/>	
Net current assets			616,471		712,047
			<hr/>		<hr/>
Total net assets			3,954,091		4,512,105
			<hr/>		<hr/>
The funds of the charity					
Unrestricted funds:					
General fund			2,975,528		3,206,633
Investment revaluation fund			76,899		383,808
Property revaluation fund			901,664		921,664
			<hr/>		<hr/>
Total charity funds	10		3,954,091		4,512,105
			<hr/>		<hr/>

Approved by the Trustees on 29th January 2021 and signed on their behalf by:

.....*Sister Gemma Maria Hughes*.....
 Sister Gemma Maria Hughes
 Reverend Mother

The notes on pages 13 to 21 form part of these financial statements.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Statement of cash flows for the year ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash used in operating activities	A	157,921	(201,986)
Cash flows from investing activities:			
Dividends and interest from investments		82,135	70,881
Purchase of tangible fixed assets		(869)	(1,600)
Proceeds from the disposal of investments		671,022	380,144
Purchase of investments		(679,822)	(621,257)
		72,466	(171,832)
Change in cash and cash equivalents in the year		230,387	(373,818)
Cash and cash equivalents at 1 April 2019	B	353,013	726,832
Cash and cash equivalents at 31 March 2020	B	583,400	353,013

Notes to the statement of cash flows for the year to 31 March 2020

A – Reconciliation of net movement in funds to net cash flow used in operating activities

	2020 £	2019 £
Net movement in funds	558,014	(282,734)
Adjustments for:		
Depreciation charge	49,733	50,029
Losses on investments	397,860	3,686
Gains on revaluation of fixed assets	-	-
Dividends and interest from investments	(82,135)	(70,881)
(Increase) / decrease in debtors	471,055	49,152
Increase / (decrease) in creditors	(120,578)	48,762
Net cash used in operating activities	157,921	(201,986)

B – Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	587,216	332,315
Cash held by investment managers	(3,816)	20,698
Total cash and cash equivalents	583,400	353,013

1 Accounting policies

Basis of Accounting

These accounts have been prepared for the year to 31 March 2020 with comparative information provided in respect of the year to 31 March 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts. The trustees have also considered the on-going situation with regard to COVID-19 as part of their going concern assessment.

The view of the trustees is that, while they acknowledge the disruption that the pandemic will bring over the coming weeks and months, the trustees believe that the charity is well placed to negotiate the unique set of conditions currently facing the UK economy. The charity's significant positive funds balances and the recovery of the stock market and valuation of its investments since the financial year end give the trustees comfort in being able to meet the charity's liabilities for the coming 12 months.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 (*Continued*)

1 Accounting policies (*Continued*)

Income Recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, nursing home fees and investment income.

Donations, Legacies and Other Voluntary Income are credited to the Statement of Financial Activities at the earlier of the date on which an estate is finalised or when a distribution is received.

Where funds are received for a specific purpose as defined by the donor, these are credited to a Restricted Fund, and are matched against expenditure incurred with the purpose as specified.

No permanent endowments have been received in the period.

Nursing home fees are accounted for in the period in which the service is provided.

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Allocation of expenditure to direct charitable costs and investment management costs have been made on a basis consistent with the nature of the expenditure giving consideration to the application, directly or otherwise, to external charitable causes.

Investment Assets

The Charity has assets held in an investment portfolio. The portfolio's use is not allotted to specific expenditure and is not restrictive. An investment revaluation reserve is included within unrestricted funds.

All gains and losses on investment assets are reported in the Statement of Financial Activities. Investments are included at closing mid-market values at the balance sheet date. Investment income is accounted for in the period in which the charity is entitled to receipt.

1 Accounting policies (Continued)*Tangible Fixed Assets*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation less estimated residual value, of each asset over its expected useful life, as follows:-

Motor vehicles	25% straight line
Sundry equipment	20% straight line
Property alterations	10% straight line
Buildings	2% straight line

Buildings are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Valuations are undertaken on a regular basis, to ensure that the carrying amount does not differ materially from the fair value. Gains and losses on revaluation are recognised in the SOFA.

Heritage Assets

The Charity holds a collection of Heritage assets which do not play any active part towards the Charities primary objective.

The Trustees consider that obtaining valuations for the vast majority of items held in its collection of statues and artefacts, would involve disproportionate cost. This is because of the diverse nature of the assets held and the lack of comparable market values. As a result no value is reported for these assets in the Balance Sheet.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised on the balance sheet when the charity becomes party to the contractual provisions of the instrument.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 (*Continued*)

1 Accounting policies (*Continued*)

Financial instruments (continued)

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using

the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Judgements and key estimates

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Value Added Tax

Value Added Tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 (Continued)

2 Investment income

	2020 £	2019 £
Income from quoted investments	81,337	70,655
Interest receivable	798	226
Rents receivable	21,006	16,491
	<u>103,141</u>	<u>87,372</u>

3 Charitable activities

	2020 £	2019 £
Nursing home fees	801,383	741,885
Other charitable activities	33,717	27,062
	<u>835,100</u>	<u>768,947</u>

4 Investment management costs

	2020 £	2019 £
Investment managers' fees	16,844	16,364
	<u>16,844</u>	<u>16,364</u>

5 Total expenditure

	Cost of charitable activities 2020 £	Other resources 2020 £	Cost of charitable activities 2019 £	Other resources 2019 £
Staff costs	776,730	-	748,196	-
Property costs	124,851	-	110,148	-
Care home expenses	117,607	-	104,092	-
Donations made	15,000	-	12,540	-
Insurance	29,220	-	28,942	-
Community expenses	2,482	-	16,537	-
Legal and professional	-	16,231	-	75,049
Audit and accountancy	-	21,090	-	34,902
	<u>1,065,890</u>	<u>37,321</u>	<u>1,020,455</u>	<u>109,951</u>

5 Total expenditure (Continued)

Fees payable to auditor include the following:

	2020 £	2019 £
Audit fees	5,160	4,560
Other services	15,930	30,342
	<hr/>	<hr/>
	21,090	34,902
	<hr/>	<hr/>

Staff costs include the following:

	2020 £	2019 £
Wages and salaries	509,745	514,599
Social security costs	29,648	29,427
Pensions	6,275	4,223
Training	2,048	900
Agency Staff	229,014	199,047
	<hr/>	<hr/>
	776,730	748,196
	<hr/>	<hr/>

No employee earned more than £60,000 p.a.

None of the trustees received any emoluments during the year (2019: £Nil).

None of the trustees received reimbursement for any expenses in the year (2019: £Nil).

The charity has a stakeholder pension scheme to which its employees may contribute. The charity contributes 1% to the scheme.

The average number of employees (full time equivalent), analysed by function was as follows:

	2020 No.	2019 No.
Provision of care services	40	35
	<hr/>	<hr/>

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees.

The total remuneration of the key management personnel for the year was £nil (2019: £nil).

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 (Continued)

6 Tangible fixed assets

	Freehold Land & Buildings £	Property Alterations £	Motor Vehicles £	Sundry Equipment £	Total £
<i>Cost or valuation</i>					
At 1 April 2019	1,000,000	370,381	22,574	103,029	1,495,984
Additions	-	-	-	869	869
At 31 March 2020	1,000,000	370,381	22,574	103,898	1,496,853
Cost	-	370,381	22,574	103,029	495,984
Valuation	1,000,000	-	-	-	1,000,000
<i>Depreciation</i>					
At 1 April 2019	60,000	166,797	22,574	99,213	348,584
Charge for the year	20,000	27,582	-	2,147	49,729
Revaluation	-	-	-	-	-
At 31 March 2020	80,000	194,379	22,574	101,360	398,313
<i>Net book value</i>					
At 31 March 2020	920,000	176,002	-	2,538	1,098,540
At 31 March 2019	940,000	203,588	-	3,816	1,147,404

Freehold land and buildings were valued, by Garside Waddingham, Chartered Surveyors, on 29 January 2015, on an asset valuation basis, in accordance with the Royal Institution of Chartered Surveyors Statement of Asset Valuation Practice.

The trustees do not believe the current value of the land and buildings is materially different from the valuation within the financial statements.

The comparable amounts for Land and Buildings determined according to the historical cost convention are as follows;

	2020 £	2019 £
Cost at 1 April 2019	18,336	18,336
Additions	-	-
Cost at 31 March 2020	18,336	18,336

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 (Continued)

7	Investments	2020 £	2019 £
	<i>Quoted investments:</i>		
	Market value at 1 April 2019 (excluding cash balances)	2,631,956	2,394,529
	Additions	679,822	621,257
	Disposals	(671,022)	(380,144)
	<i>Other recognised gains:</i>		
	Unrealised gains / (losses) on valuation	(337,727)	(12,845)
	Realised gains / (losses) on sales	(60,133)	9,159
		<u>2,242,896</u>	<u>2,631,956</u>
	Cash balances at 31 March 2020	(3,816)	20,698
		<u>2,239,080</u>	<u>2,652,654</u>
	Market value at 31 March 2020		

The historic cost of investments is as follows: -

	2020 £	2019 £
As at 1 April 2019	2,268,846	2,025,936
As at 31 March 2020	<u>2,162,181</u>	<u>2,268,846</u>

8	Debtors	2020 £	2019 £
	Trade debtors	58,865	90,084
	Other debtors	33,609	498,258
	Prepayments	28,611	3,798
		<u>121,085</u>	<u>592,140</u>

9	Creditors: Amounts falling due within one year	2020 £	2019 £
	Trade creditors	27,041	142,314
	Other taxes and social security costs	8,018	6,629
	Accruals and deferred income	55,040	62,673
	Other creditors	1,731	792
		<u>91,830</u>	<u>212,408</u>

INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2020 *(Continued)*

10 Analysis of assets between funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
General fund	196,876	2,162,181	616,471	2,975,528
Investment revaluation fund	-	76,899	-	76,899
Property revaluation fund	901,664	-	-	901,664
	<u>1,098,540</u>	<u>2,239,080</u>	<u>616,471</u>	<u>3,954,091</u>

The above analysis has been adopted to show accumulated unrealised gains relating to the investment portfolio and freehold land and buildings.

11 APB Ethical standards

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

12 Defined contribution plans

	2020 No.	2019 No.
Charge in respect of defined contribution schemes	6,275	4,223
	<u>6,275</u>	<u>4,223</u>

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.