

DOLANOG RESIDENTIAL HOME
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

REGISTERED CHARITY NO: 245425

DOLANOG RESIDENTIAL HOME
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DOLANOG RESIDENTIAL HOME
REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity	Dolanog Residential Home
Charity number	245425
Registered office	Dolanog Residential Home 87 Russell Road Rhyl Denbighshire LL18 3DU
Trustees	Mr H M McEvoy MBE Mr R Adams Mr J P Williams Mrs J Campbell Dr M Pritchard
Home Manager	Miss M Cotton
Bankers	HSBC plc 23 Wellington Road Rhyl Denbighshire LL18 1BB
Accountants	Harold Smith Unit 32 St Asaph Business Park St Asaph Denbighshire LL17 0JA

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TRUSTEES REPORT FOR THE YEAR ENDED 31ST DECEMBER 2016

The Trustees present their annual report for the year ended 31 December, 2016 together with the financial statements for the year. The financial statements have been prepared under the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities published in 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by its constitution. It has been registered as a charity since 1965. It was originally registered as 'The Woman's Convalescent Home, Rhyl'. The charity registration number is 245425 and it operates from 87 Russell Road, Rhyl, Denbighshire, LL18 3DU.

The Trustees named on page 2 have served during the year. All Trustee appointments are governed by the constitution and all appointments are approved by the Board of Trustees. The Board of Trustees is authorised to appoint new Trustees to fill vacancies arising through resignation or death of an existing Trustee. Before being appointed, Trustees generally serve on the committee to confirm their suitability and need to apply to the CSSIW to register as a responsible person for the Charity.

The Board of Trustees meets twelve times a year for monthly management meetings. It is during these meetings that all significant decisions are made. Should any major decisions arise for which the board feel they do not possess the relevant experience, they will source external professional advice. The Trustees main priority is to carry out the Charity's objects.

Although the board is the key decision making body, the day to day responsibility for the management of the residential home is delegated to the home manager.

Risk Management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the control over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to manage those risks.

OBJECTIVES AND ACTIVITIES

The object of Dolanog Residential Home, as set out in its constitution, is the promotion of the welfare of the aged by the provision of a residential home. The charity aims to maximise the comfort and care of residents, through maintaining high standards throughout the home. This covers the living accommodation, the quality of care, cultural experiences, the food and drink on offer, outings and excursions and also the safety and security of the residents. No member of the public will be refused acceptance provided they meet the medical suitability and age requirements of the home.

Dolanog Residential Home achieves its objectives through its strategy of good household management and control; by maintaining the property and buildings to provide said residential accommodation; by employing such persons considered necessary to carry out the purposes of the charity; and by exchanging beneficial information and advice with voluntary and statutory bodies. The Trustees have had regard to the Charity Commission guidance on public benefit.

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The Home maintains an ample roster of staff enabling it to avoid any problems with holiday or sickness cover. All staff receive regular training and all are strongly encouraged to qualify to NVQ level 3, at least. Further qualification is not just encouraged by the charity, it is also funded by the charity on the employee's behalf. The Trustee's priority is to do all they can to ensure a high level of morale among the staff. The Investors in People accolade is held by the charity.

The Home's policy on days out is 'if it can be done, it should be done' and strives to have as many excursions as possible. The Home is regularly praised by residents' families.

ACHIEVEMENTS AND PERFORMANCE

This year the charity has made further investment in renewing and updating the infrastructure, which can be seen as an act of faith in Dolanog's future. We warmly welcome the numerous expressions of approval, following various independent inspections carried out by statutory bodies such as CSSIW and Denbighshire County Council, of the manifold improvements made at Dolanog. To find Dolanog described as "a lovely place to live" is reward itself.

FINANCIAL REVIEW

The substantial and justifiable major renovations, funded from accumulated savings and investments, have helped transform and enhance the comfort and attraction for service-users, entirely in keeping with the Home's ethos as a voluntary-run, registered charitable organisation, dedicated to utilising funds to maximise the quality of life for all residents. The rewards of this significant investment has not only achieved a widely-admired visual and environmental uplift, but also helped ensure Dolanog's continued appeal in meeting its enduring objective of providing a true home-from-home, whilst still retaining enviably secure financial security and probity.

The Trustees are grateful to our financial advisers and accountants for their ready professional advice and guidance throughout the year. As at 31 December 2016, the Charity's reserves totalled £1,216,810. (2015 - £1,198,565.)

Over 50% of reserves held as the freehold property, which is exclusively utilised for the purposes described in the charity's constitution. As the charity's activities are subject to the Care Standards Act 2000, the trustees are aware of the necessity to ensure the accommodation provided by the charity continues to meet current and future care standards.

PLANS FOR FUTURE PERIODS

The Trustees remain committed to moving from the current position of exceeding the National Minimum Wage to one of attaining the more desirable Living Wage, having already taken the first positive steps in that aspirational direction.

The Trustees are especially pleased to have added to its numbers with the welcome addition of Dr Malcolm Pritchard, knowing the shared high quality of service and experience they will bring as we move forward, fortified with renewed confidence by their arrival.

The Trustees remain firmly committed to focusing on all opportunities to further enhancing the quality of life of its residents as it seeks to build on the comprehensive programme still on-going. An important

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new and much more user-friendly toilet block was completed in 2016, along with an upgraded hairdressing salon. All bedrooms in rotation will routinely receive individual renovation and redecoration in a seamless programme of comfort enhancement.

Food remains a key element of life at Dolanog and the recent appointment of two accomplished and experienced cooks/chefs, functioning free of inhibitions of budget restrictions, is deliberately aimed at driving up still higher the Home's proud reputation and strong emphasis of providing attractive, appropriate and appealing meals seven days a week.

A wide variety of entertainment and visits by artists, groups and performers will continue to be enthusiastically encouraged as will opportunities for staff to receive full financial support in training and enhancement of their respective professional roles across the entire work-force.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow the best practice and:

- a. Select suitable accounting policies and apply them consistently;
- b. Make judgements and estimates that are reasonable and prudent;
- c. Follow applicable accounting standards, subject to any departures disclosed and explained in the financial statements
- d. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue to operate

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity; and which enable them to ascertain the financial position of the Charity; and enable them to ensure that the financial statements comply with applicable laws and regulations. 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.

Approval

This report was approved by the trustees on 17 May 2017 and signed on their behalf.

Mr H M McEvoy MBE
Trustee



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INDEPENDENT EXAMINERS REPORT ON THE ACCOUNTS OF DOLANOG RESIDENTIAL HOME

Independent Examiners Report to the Trustees of Dolanog Residential Home, charity number 245425, on the accounts for the year ended 31 December 2016 set out on pages 7 -14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations for the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Mr Lawrence Archer F.C.A.

Harold Smith
Chartered Accountants & Registered Auditors
Unit 32
Llys Edmund Prys
St Asaph Business Park
St Asaph
LL17 OJA

17 May 2017

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REGISTERED CHARITY NO: 245425

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Incoming Resources				
Investment Income	2	17	17	105
Incoming resources from charitable activities	3	625,589	625,589	601,162
Total incoming resources		625,606	625,606	601,267
Resources expended				
Charitable activities	4	615,213	615,213	589,009
Governance costs	5	28,283	28,283	27,221
Total resources expended		643,496	643,496	616,230
Net incoming resources		(17,890)	(17,890)	(14,963)
Gain on investment assets		36,135	36,135	5,527
Net movement in funds		18,245	18,245	(9,436)
Total funds as at 01 January 2016		1,198,565	1,198,565	1,208,001
Total funds as at 31 December 2016		1,216,810	1,216,810	1,198,565

The notes on pages 11 to 14 form part of these accounts.

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BALANCE SHEET AS AT 31 DECEMBER 2016

		2016 £	2015 £
Fixed assets			
Tangible assets	7	826,299	823,659
Investments	8	349,274	313,139
		<u>1,175,573</u>	<u>1,136,798</u>
Current assets			
Debtors	9	43,823	37,276
Cash at bank and in hand		44,237	63,876
		<u>88,060</u>	<u>101,152</u>
Creditors			
Due within one year	10	(46,823)	(39,385)
Net current assets		<u>41,237</u>	<u>61,767</u>
Net assets		<u>1,216,810</u>	<u>1,198,565</u>
Unrestricted funds		1,216,810	1,198,565
Total funds		<u>1,216,810</u>	<u>1,198,565</u>

Approved by the trustees on 17 May 2017 and signed on their behalf.

Mr H M McEvoy MBE



The notes on pages 11 to 14 form part of these accounts.

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STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2016

	Total funds £	Prior year funds £	Note
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	<u>3,381</u>	<u>31,095</u>	
Cash flows from investing activities:			
Dividends, interest and rents from investments	17	105	
Proceeds from the sale of property, plant and equipment	-	-	
Purchase of property, plant and equipment	(23,037)	(61,251)	
Proceeds from sale of investments	-	27,545	
Purchase of investments	<u>-</u>	<u>-</u>	
Net cash provided by (used in) investing activities	<u>(19,639)</u>	<u>(2,506)</u>	
Cash flows from financing activities:			
Repayments of borrowing	-	-	
Cash inflows from net borrowing	-	-	
Receipt of endowment	<u>-</u>	<u>-</u>	
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>	
Change in cash and cash equivalents in the reporting period	(19,639)	(2,506)	
Cash and cash equivalents at the beginning of the reporting Period	63,876	66,382	
Change in cash and cash equivalents due to exchange rate Movements	<u>-</u>	<u>-</u>	
Cash and cash equivalents at the end of the reporting Period	<u>44,237</u>	<u>63,876</u>	

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Reconciliation of net movement in funds to net cash flow from operating activities

	Total funds £	Prior year funds £
Net movement in funds for the reporting period (as per the statement of financial activities)	18,245	(9,436)
Adjustments for :		
Depreciation charges	20,397	21,581
Dividends, interest and rents from investments	(17)	(105)
Loss/(profit) on sale of fixed assets	-	97
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(6,547)	27,333
Increase/(decrease) in creditors	7,438	(2,848)
(Increase)/decrease in investments	<u>(36,135)</u>	<u>(5,527)</u>
Net cash provided by (used in) operating activities.	<u>3,381</u>	<u>31,095</u>

Analysis of cash and cash equivalents

Cash in hand	406	1,066
Notice deposits (less than 30 days)	43,831	62,810
Overdraft facility repayable on demand	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>44,237</u>	<u>63,876</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of accounts preparation

These accounts are prepared under FRS 102 (Charities) the Charities Act 2011 on the historical cost convention as modified by the adoption of current cost for investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005.

1.2 Change in basis of accounting

There has been no change to the accounting policies since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

1.4 Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

1.5 Donations

Voluntary income and donations are accounted for as received by the charity. The charity does not receive income from fundraising and no permanent endowments have been received in the period.

1.6 Investments

Investments held as fixed assets are revalued to market value at the balance sheet date and the gain or loss is recognised in the Statement of Financial Activity.

1.7 Management and administration expenditure

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity. This includes office costs, staff salaries for administrative staff and accountants fees.

1.8 Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following bases:

Freehold property	Nil
Fittings and equipment – Lift	25% per annum on written down value
Fittings and equipment – Other	15% per annum on written down value

No depreciation is charged against the freehold property on the basis that any charge would be immaterial as sufficient is spent to maintain the property in its current condition and that continuing improvements to the property increase its value as a going concern.

The trustees rely upon the opinion of its insurers that the current insured value of the freehold property is substantially in excess of the carrying value disclosed in the accounts. An initial impairment review carried out by the trustees did not discover any possibility of any material diminution of value. The trustees therefore consider that the cost of a professional valuation would not be in the best interest of the charity.

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1.9 Taxation

The charity is a registered charity and as such is not liable to either income or corporation tax.

2 ANALYSIS OF INVESTMENT INCOME

	2016 £	2015 £
Investment Income		
Income from listed investments	-	83
Bank Interest	17	22
	<u>17</u>	<u>105</u>

All investments are listed on, or valued by reference to, recognised stock exchanges or are held in common investment funds.

Investments are held primarily to provide an investment return for the charity.

3 ANALYSIS OF RESOURCES FROM CHARITABLE ACTIVITIES

	2016 £	2015 £
Incoming resources from charitable activities		
Fees received from residents	625,589	601,162
	<u>625,589</u>	<u>601,162</u>

4 ANALYSIS OF CHARITABLE ACTIVITIES

	2016 £	2015 £
Charitable activities		
Staff costs	407,997	377,324
Premises and related costs	115,508	121,694
Residents costs	71,311	68,313
Depreciation	20,397	21,581
Loss on disposal	-	97
	<u>615,213</u>	<u>589,009</u>

5 ANALYSIS OF GOVERNANCE COSTS

	2016 £	2015 £
Governance costs		
Staff costs – charity secretary	8,270	8,511
Office	5,780	4,934
Legal and Professional	4,974	5,988
Accountancy and payroll	6,244	5,095
Independent Examiners Fee	2,500	2,160
Bank charges	515	533
	<u>28,283</u>	<u>27,221</u>

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6 EMPLOYEES

6.1 Staff costs

	2016	2015
	£	£
Staff costs		
Gross wages	390,318	360,463
Employer's national insurance costs	25,949	25,372
	<u>416,267</u>	<u>385,835</u>

6.2 Average number of full-time equivalent employees in the year

	2016	2015
	£	£
Areas in which the employees work		
Charitable activities	24	24
Governance	1	1
	<u>25</u>	<u>25</u>

There were no employees whose emoluments exceeded £60,000

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Lift	Furniture And Equipment	Vehicle	Total
	£	£	£	£	£
Cost					
At 1 January 2016	695,135	58,347	330,435	24,232	1,108,149
Additions	16,187	-	6,850	-	23,037
Disposals	-	-	-	-	-
At 31 December 2016	<u>711,322</u>	<u>58,347</u>	<u>337,285</u>	<u>24,232</u>	<u>1,131,186</u>
Depreciation					
At 1 January 2016	-	8,151	252,874	23,465	284,490
charge for the year	-	7,543	12,662	192	20,397
Eliminated on disposal	-	-	-	-	-
At 31 December 2016	<u>-</u>	<u>15,694</u>	<u>265,536</u>	<u>23,657</u>	<u>304,887</u>
Net Book Value					
At 31 December 2016	<u>711,322</u>	<u>42,653</u>	<u>71,749</u>	<u>575</u>	<u>826,299</u>
At 1 January 2016	<u>695,135</u>	<u>50,196</u>	<u>77,561</u>	<u>767</u>	<u>823,659</u>

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8 FIXED ASSET INVESTMENTS

	£
Market value at beginning of year	313,139
Sold in year	-
Net gain on revaluation	<u>36,135</u>
Market value at end of year	<u>349,274</u>

Nucleus – Investment Portfolio	293,279
Alchemy – Investment Portfolio	<u>55,995</u>
	<u>349,274</u>

9 DEBTORS AND PREPAYMENTS

	2016	2015
	£	£
Trade debtors	40,512	33,711
Other debtors	-	535
Prepayments	<u>3,311</u>	<u>3,030</u>
	<u>43,823</u>	<u>37,276</u>

10 CREDITORS DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	19,042	18,445
Other creditors	<u>27,781</u>	<u>20,940</u>
	<u>46,823</u>	<u>39,385</u>