

**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 2017

# **INCE BLUNDELL HALL TRUST & NURSING HOME**

## **Reports and financial statements**

**For the year ended 31 March 2017**

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# **INCE BLUNDELL HALL TRUST AND NURSING HOME**

## **Report of the trustees for the year ended 31 March 2017**

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### **Introduction**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2017. 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

### **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**

Willis Limited  
Stuart House  
Caxton Road  
Preston  
PR2 9RW

### **Principal address**

Ince Blundell Hall  
Ince Blundell  
Liverpool  
L38 6JL

### **Organisation**

Ince Blundell Hall and Estate was purchased by the Augustinian Canonesses of the Mercy of Jesus following a request from the Archdiocese of Liverpool for the Community, as a Nursing Order, to establish a centre for the care of clergy who needed nursing support throughout their retirement.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

## Report of the trustees for the year ended 31 March 2017 (*continued*)

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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.

Ince Blundell Hall Nursing Home is situated in fifty acres of park and woodland approximately twelve miles north of Liverpool. Originally the ancestral home of the Blundell family, the first Blundell was recorded as living at Ince in 1212. Throughout the centuries, the family were devout Catholics and recusants during times of religious persecution.

The Hall was constructed during the eighteenth century and is a fine example of English provincial Baroque architecture. Henry Blundell (1724 – 1810) is internationally renowned as a collector of Classical Sculpture. Between 1790 and 1810 he constructed the Garden Temple and the Pantheon in which to house his collection. Although the majority of the marbles are now in National Museums Liverpool, these two Grade II Listed Buildings remain and are of very significant cultural interest.

Ince Blundell Hall therefore has strong religious, historical and cultural links. It is also a place of great beauty and serenity. The grounds are peaceful and tranquil and are recognised by many as being a special place where people come for physical and spiritual healing.

In 1959, the Augustinian Sisters (encouraged by Cardinal John Heenan), purchased Ince Blundell Hall for the purpose of establishing a Nursing Home for the sick and elderly priests of the Archdiocese. In 2011 the Sisters celebrated the Nursing Home's Golden Jubilee.

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 to live out their religious life as a Community. One aspect of this life is to exercise works of mercy through a service to those in need. The Sisters chose to care for the sick and elderly. The Aims of the Community fall broadly into three sections.

The demand for Nursing Services at Ince Blundell Hall remains strong. Demand has exceeded supply for many years and the Nursing Home is running at optimum levels. The Sisters work alongside lay staff (in both professional and ancillary roles), to ensure that everything functions as it should. The emphasis is on maintaining the highest standards of Nursing Care for all our patients.

In order to fulfil this identified unmet need, the Sisters intend to expand service provision.

This is planned to be accomplished by developing two Listed Buildings in the grounds. These buildings have the flexibility and the potential to lend themselves to a variety of uses. Feasibility studies have been completed and planning experts engaged. Due to the listed, historic nature of the



buildings, negotiations need to take place between Heritage Bodies and the Trustees and these are continuing. The Trustees are hopeful of a successful conclusion in the near future.

## **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 2017 (*continued*)

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### 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.

Alternative activities and uses for the building have been actively explored and the trustees remain committed to the provision of first class care but many groups now visit Ince Blundell Hall for a variety of reasons. These groups include groups of disabled people, children from local schools, persons desiring private or group retreats and professional organisations.

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

### Financial report for the year

The financial results of the nursing home and trust for the year to 31 March 2017 are set out in the financial report. A deficit of £183,568 (2016: £25,142) was sustained from the activities of the charity but when the gains on investments of £268,859 (2016 loss: £217,703) and the gain of revaluation of fixed asset of £274,000 are added this meant an increase in funds of £359,291 (2016 decrease: £242,845) as at 31<sup>st</sup> 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 gains of £268,859 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 £65,717 was generated from the portfolios also and this sum was considered very acceptable by the trustees.

### 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 £3,451,107 and this represents approximately 4 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.

## 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.

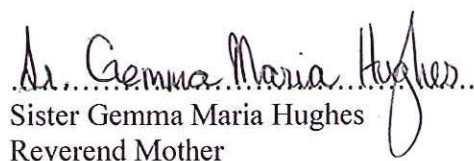
## The Trustees for the Charity in England

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 2017 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.

By order of the Council

  
Sister Gemma Maria Hughes  
Reverend Mother

Date of approval: 6<sup>th</sup> December 2017



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

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We have audited the financial statements of Ince Blundell Hall Trust and Nursing Home for the year ended 31 March 2017 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".

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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.

### **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.

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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 11 to the financial statements.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materiality inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the charity's affairs as at 31 March 2017, 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 properly prepared in accordance with requirement of the Charities Act 2011.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

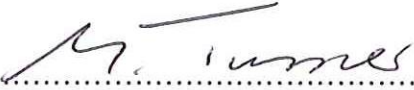
## Independent Auditors' Report to the trustees of Ince Blundell Hall Trust and Nursing Home (continued)

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### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

  
.....  
Mark Turner FCA (Senior Statutory Auditor)

Date: ..... 6-12-17 .....

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 2017

		Unrestricted funds	
	Note	2017 £	2016 £
<b>Income and endowments from:</b>			
Donations and legacies		19,400	41,855
Investments	2	84,363	103,753
Charitable activities	3	632,343	818,334
		<hr/>	<hr/>
<b>Total income and endowments</b>		<b>736,106</b>	<b>963,942</b>
		<hr/>	<hr/>
<b>Expenditure on:</b>			
Investment management costs	4	16,900	16,896
Charitable activities	5	859,788	929,675
Other	5	42,986	42,513
		<hr/>	<hr/>
<b>Total expenditure</b>		<b>919,674</b>	<b>989,084</b>
		<hr/>	<hr/>
<b>Net expenditure before net gains / (losses) on investments</b>		<b>(183,568)</b>	<b>(25,142)</b>
Net gains / (losses) on investments	7	268,859	(217,703)
		<hr/>	<hr/>
<b>Net income / (expenditure)</b>		<b>85,291</b>	<b>(242,845)</b>
<b>Other recognised gains:</b>			
Gains on revaluation of fixed assets	6	274,000	-
		<hr/>	<hr/>
<b>Net movement in funds</b>		<b>359,291</b>	<b>(242,845)</b>
<b>Reconciliation of funds:</b>			
Balances brought forward at 1 April 2016		4,612,726	4,855,571
		<hr/>	<hr/>
Balances carried forward at 31 March 2017		4,972,017	4,612,726
		<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 11 to 17 form part of these financial statements.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Balance sheet as at 31 March 2017

	Note	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		1,121,695		796,464
Investments	7		2,863,337		2,607,342
			<u>3,985,032</u>		<u>3,403,806</u>
<b>Current assets</b>					
Debtors	8	53,921		50,050	
Cash at bank and in hand		991,620		1,207,656	
		<u>1,045,541</u>		<u>1,257,706</u>	
<b>Creditors: amounts falling due within one year</b>	9	(58,556)		(48,786)	
<b>Net current assets</b>			<u>986,985</u>		<u>1,208,920</u>
<b>Total net assets</b>			<u>4,972,017</u>		<u>4,612,726</u>
<b>The funds of the charity</b>					
<b>Unrestricted funds:</b>					
General fund			3,469,443		3,591,453
Investment revaluation fund			540,910		313,609
Property revaluation fund			961,664		707,664
<b>Total charity funds</b>	10		<u>4,972,017</u>		<u>4,612,726</u>

Approved by the Trustees on 6<sup>th</sup> December 2017 and signed on their behalf by:

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

The notes on pages 11 to 17 form part of these financial statements.

# INCE BLUNDELL HALL TRUST AND NURSING HOME

## Statement of cash flows for the year ended 31 March 2017

	Note	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(210,051)	(46,050)
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		67,234	81,229
Purchase of tangible fixed assets		(86,083)	(64,335)
Proceeds from the disposal of investments		773,384	938,555
Purchase of investments		(906,596)	(781,345)
		(152,061)	174,104
<b>Change in cash and cash equivalents in the year</b>		<b>(362,112)</b>	<b>128,504</b>
<b>Cash and cash equivalents at 1 April 2016</b>	B	<b>1,468,050</b>	<b>1,339,996</b>
<b>Cash and cash equivalents at 31 March 2017</b>	B	<b>1,105,938</b>	<b>1,468,050</b>

### Notes to the statement of cash flows for the year to 31 March 2017

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

	2017 £	2016 £
<b>Net movement in funds</b>	<b>359,291</b>	<b>(242,845)</b>
<b>Adjustments for:</b>		
Depreciation charge	34,852	38,557
Gains / (losses) on investments	(268,859)	217,703
Gains on revaluation of fixed assets	(274,000)	-
Dividends and interest from investments	(67,234)	(81,229)
(Increase) / decrease in debtors	(3,871)	20,310
Increase in creditors	9,770	1,454
<b>Net cash used in operating activities</b>	<b>(210,051)</b>	<b>(46,050)</b>

#### B – Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	991,620	1,207,656
Cash held by investment managers	114,318	260,394
<b>Total cash and cash equivalents</b>	<b>1,105,938</b>	<b>1,468,050</b>



**1 Accounting policies**

*Basis of Accounting*

These accounts have been prepared for the year to 31 March 2017 with comparative information provided in respect of the year to 31 March 2016.

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, 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.

*Reconciliation with previous Generally Accepted Accounting Practice*

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

*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 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.

*Incoming 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 as they are received due to the uncertainty of the timing of the receipt.

Where funds are received for a specific purpose as defined by the donee, 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.

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (*Continued*)

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## 1 Accounting policies (*Continued*)

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.

### *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

### *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.



**1 Accounting policies (*Continued*)**

*Debtors*

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

*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.

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.

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

## *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.

### **2 Investment income**

	2017 £	2016 £
Income from quoted investments	65,717	78,645
Interest receivable	1,517	2,584
Rents receivable	17,129	22,524
	—	—
	84,363	103,753
	—	—

### **3 Charitable activities**

	2017 £	2016 £
Nursing home fees	597,733	796,334
Other charitable activities	34,610	22,000
	—	—
	632,343	818,334
	—	—

### **4 Investment management costs**

	2017 £	2016 £
Investment managers' fees	16,900	16,896
	—	—
	16,900	16,896
	—	—



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

## 5 Total expenditure

	Cost of charitable activities 2017 £	Other resources 2017 £	Cost of charitable activities 2016 £	Other resources 2016 £
Staff costs	581,698	-	645,996	-
Property costs	126,133	-	104,148	-
Care home expenses	93,295	-	113,893	-
Donations made	7,800	-	9,614	-
Insurance	26,267	-	21,506	-
Community expenses	24,595	-	34,518	-
Legal and professional	-	28,226	-	30,873
Audit and accountancy	-	14,760	-	11,640
	<u>859,788</u>	<u>42,986</u>	<u>929,675</u>	<u>42,513</u>

Fees payable to auditor include the following:

	2017 £	2016 £
Audit fees	4,080	3,840
Other services	10,680	7,800
	<u>14,760</u>	<u>11,640</u>

Staff costs include the following:

	2017 £	2017 £
Wages and salaries	506,751	604,120
Social security costs	27,772	35,603
Pensions	1,421	-
Training	1,757	-
Agency Staff	43,997	6,273
	<u>581,698</u>	<u>645,996</u>

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

None of the trustees received any emoluments during the year (2016: £Nil).

None of the trustees received reimbursement for any expenses in the year (2016: £Nil).

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

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

## 5 Total expenditure (Continued)

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

	2017 No	2016 No
Provision of care services	38	38

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 (2016: £nil).

## 6 Tangible fixed assets

	Freehold Land & Buildings £	Property Alterations £	Motor Vehicles £	Sundry Equipment £	Total £
<i>Cost or valuation</i>					
At 1 April 2016	1,100,000	163,458	22,574	97,013	1,383,045
Additions	-	81,667	-	4,416	86,083
Revaluation	(100,000)	-	-	-	(100,000)
At 31 March 2017	1,000,000	245,125	22,574	101,429	1,369,128
Cost	-	245,125	22,574	101,429	369,128
Valuation	1,000,000	-	-	-	1,000,000
<i>Depreciation</i>					
At 1 April 2016	374,000	100,336	20,167	92,078	586,581
Charge for the year	20,000	11,293	1,204	2,355	34,852
Revaluation	(374,000)	-	-	-	(374,000)
At 31 March 2017	20,000	111,629	21,371	94,433	247,433
<i>Net book value</i>					
At 31 March 2017	980,000	133,496	1,203	6,996	1,121,695
At 31 March 2016	726,000	63,122	2,407	4,935	796,464

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.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

7 Investments	2017 £	2016 £
<i>Quoted investments:</i>		
Market value at 1 April 2016 (excluding cash balances)	2,346,948	2,721,861
Additions	906,596	781,345
Disposals	(773,384)	(938,555)
<i>Other recognised gains:</i>		
Unrealised gains / (losses) on valuation	35,528	(129,969)
Realised gains / (losses) on valuation	233,331	(87,734)
	<u>2,749,019</u>	<u>2,346,948</u>
Cash balances at 31 March 2017	114,318	260,394
	<u>2,863,337</u>	<u>2,607,342</u>

The historic cost of investments is as follows: -

	2017 £	2016 £
As at 1 April 2016	2,293,733	2,195,014
	<u>2,322,427</u>	<u>2,293,733</u>

All listed investments were dealt in on a recognised stock exchange.

One listed investment holding was material in the context of the total value of the portfolio at 31 March 2017.

	Percentage %	Valuation £
Ishares GBP Corp Bond	5	136,075

## 8 Debtors

	2017 £	2016 £
Trade debtors	3,759	22,390
Other debtors	17,773	-
Prepayments	10,398	1,716
Accrued income	21,991	25,944
	<u>53,921</u>	<u>50,050</u>

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

9	Creditors: Amounts falling due within one year	2017 £	2016 £
	Trade creditors	30,833	16,584
	Other taxes and social security costs	9,065	13,469
	Accruals and deferred income	17,209	16,570
	Other Creditors	1,449	2,163
		<hr/>	<hr/>
		58,556	48,786
		<hr/>	<hr/>

## 10 Analysis of assets between funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
General fund	160,031	2,322,427	986,985	3,469,443
Investment revaluation fund	-	540,910	-	540,910
Property revaluation fund	961,664	-	-	961,664
	<hr/>	<hr/>	<hr/>	<hr/>
	1,125,695	2,863,337	986,985	4,972,017
	<hr/>	<hr/>	<hr/>	<hr/>

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.