

THE GLOUCESTERSHIRE CARE PARTNERSHIP

Annual Report and Financial Statements

Year Ended 31 March 2017

Charity No: 1108381

Company No: 4667322

Contents

Section	Page
Report of the Trustees (incorporating the Strategic Report)	3
Report of the Independent Auditor to the Members	8
Statement of Financial Activities (incorporating an Income and Expenditure Account)	10
Balance Sheet	11
Statement of Cash Flows	12
Notes Forming Part of the Financial Statements	13 –17

Report of the Trustees for the year ended 31 March 2017

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) issued in July 2014 in preparing the annual report and financial statements of the charity.

The financial year end has been amended to 28th March 2017 however the financial statements continue to be prepared to 31st March 2017, as permitted by s.390 (3) of the Companies Act 2006.

Reference and Administrative Details

Director/Trustees	Ralph Stephenson (The Orders of St John Care Trust) Janet Boulter (The Orders of St John Care Trust) (resigned 10 February 2017) Daniel Hayes (The Orders of St John Care Trust) Kerry Dearden (The Orders of St John Care Trust) (appointed 1 February 2017) Millie Wentworth-Stanley (The Orders of St John Care Trust) (appointed 10 February 2017) Kevin Bolt (bpha) Paul Gray (bpha) Sarah Ireland (bpha) (resigned 15 June 2017) Julie Wittich (bpha) Philippa Spratley (appointed 20 February 2018)
Secretary	Paul Gray
Registered Office	Bedford Heights Manton Lane Bedford MK41 7BJ
Auditors	Grant Thornton UK LLP Chartered Accountants 30 Finsbury Square London EC2P 2YU
Bankers	Barclays Bank Plc Midland Corporate Banking P.O. Box 3333 15 Colmore Road Birmingham B32 4TN

Report of the Trustees for the year ended 31 March 2017 (continued)

Strategic Report

Structure, Governance and Management

The Gloucestershire Care Partnership (the charity) is a charitable company limited by guarantee (registered company number 4667322, registered charity number 1108381) and was incorporated on 17 February 2003. It is governed by articles of association which were last amended on 4 November 2004 and adopted on 20 December 2004.

Organisation

A board of Trustees, which meets periodically, administers the charity. The Orders of St John Care Trust manage the day-to-day operations of the charity under a management contract dated 29 April 2005. Each member has the power to appoint up to four Trustees to the Board and the Board is able to appoint up to two independent Trustees. During the year to 31 March 2017 The Orders of St John Care Trust has appointed four Trustees and bpha four Trustees and there are no independent Trustees. The Board periodically considers the requirements for the induction and training of Trustees and makes recommendations as appropriate.

Investment Powers

Under the memorandum and articles of association, the charity has the power to make any investments which the Trustees see fit.

Objectives and Public Benefit

The Charity's objectives are to carry out in the County of Gloucestershire the following activities:

- To provide care to elderly people in Gloucestershire through care homes specialising in residential, mental health and nursing care, together with intermediate, domiciliary and day care; and
- To provide, within Gloucestershire, housing accommodation and assistance to help house people who are elderly or disabled and associated facilities and amenities for such people or for the relief of the aged, disabled, handicapped (whether physically or mentally) or chronically sick people and provision of care in the community and in hospitals and at home; and
- To further such general charitable objects as the Trustees may determine.

The Trustees have taken account of the Charity Commission guidance on Public Benefit and Fee-charging and consider that the Trust objectives are for the public benefit. The principal reasons are:-

- There are 60-70% of service users who are contracted by Local Authorities.
- Surpluses are reinvested in subsidising improved services or accommodation for the service users.
- Other services are provided at either low or no cost to certain service users.
- The services are available to any eligible person.

Related Parties

The Gloucestershire Care Partnership (GCP) is a charitable care trust established in 2004 by The Orders of St John Care Trust (OSJCT), a leading national provider of care services for older people and bpha, a major regional registered social landlord, to take transfer of operational care homes for older people from Gloucestershire County Council (GCC) under an initial block contract to 2035. The contract has development responsibilities for either refurbishment or replacement in the form of a new building as part of its Estates Strategy. The transfer of the initial 21 care homes was completed in May 2005.

GCP wholly subcontracts the care of residents in the care homes to OSJCT. OSJCT is the registered care provider of the homes and employs the employees working in the homes and at a support level in the regional office. Similarly, GCP subcontracts the development and capital funding of new care homes to bpha. The existing care homes are leased from GCC to GCP on 15 year operating leases.

Funding Sources and Expenditure

The principal funding source is fees received from Gloucestershire County Council for its Local Authority funded residential and nursing residents. Fees from self-funders residing at the homes pass directly to OSJCT as care provider. Expenditure primarily consists of care fees related to providing the care which is paid to OSJCT and rent payable in the main to bpha.

The accounting treatment adopted since the Charity was first established reflects the intention of the partners, OSJCT and bpha, and of the other stakeholders principally including GCC, that all activity in relation to provision of services in the homes operated by the Charity should be reflected in the Charity's financial statements. Self-fund income is treated as agency income so is not included in the accounts. Beds which are not purchased by GCC and beds that fall outside of the contract with GCC are made available to private self-funding residents in a direct contract with OSJCT. In previous years the Charity's strategic report made some reference to the key performance metrics of the homes. The Trustees recognise that it is not possible by reference to the GCP financial statements for external stakeholders to understand the underlying performance of the homes since most of the operating costs and all of the self-funder income are borne by OSJCT and are only recognised in OSJCT's financial statements. The Trustees have agreed on the accounting treatment and this is consistent with the prior year, they will however keep this under review for appropriateness.

The Trustees recognise that more than 15 years have elapsed since the Charity commenced operations. During that period the operating environment, including the needs and expectations of elderly people has changed. The original intentions of the partners have in some cases been superseded with some homes continuing to operate beyond their originally anticipated lifespan. The partners have agreed to undertake a Trustee led strategic review in the coming year of all operational matters including the issues relating to an ageing estate. The Trustees have agreed that the current basis of preparation is appropriate, they will however keep this under review going forward to ensure it remains appropriate once the strategic review has been completed.

Activities and Performance

The Charity currently operates 17 care homes across Gloucestershire with a total of 857 beds. At the end of the financial year, occupancy (GCC and self-funders) was 90.9%.

The Local Authority approved Estates strategy was paused in recent years by GCC, which has impacted the trading and performance of some of the homes. The Estates Committee of GCC and GCP has been re-established during 2017/18 for the specific objective of reviewing and agreeing the future of the estate.

During the 2015/16 financial year the Charity reported the difficulties in agreeing void charges for bed occupancy with GCC. Both parties have agreed a settlement up to and including September 2017 and both parties are now working in collaboration to agree the methodology around void calculations going forward.

GCC, OSJCT and bpha have engaged in informal discussions around the future of the care provision within GCP in order that a more beneficial model may be identified. GCC has the reasonable aim of ensuring that monies spent within the contract are focused on those areas of provision that are most required. The stalling of the programme to modernise the existing care home estate has reduced its overall attractiveness to prospective self-funding residents. This, combined with higher operating and payroll costs for nursing places linked to the requirement to offer dual registration across most services, has consequently significantly increased the financial pressures on OSJCT.

Whilst the joint venture parties continue to offer support to the company, there is a requirement for a strategic review to rectify the ongoing losses sustained both by GCP and some homes within OSJCT. This review commenced in 2017/18 between all parties.

Financial Review

Financial KPIs	2017 (£'000)	2016 (£'000)
Income	15,555	16,065
Net Deficit	(9)	(45)
Cash flow	310	(783)
Operational KPIs		
Occupancy as % of total places	90.9%	90.8%
Average block beds	526	510

2016/17 was a challenging year for GCP with income from GCC decreasing by 3.2%. This is due to the void settlement which was £0.7m lower than 2015/16 void charges, which subsequently offset the benefit of increased occupancy. The number of GCC funded residents rose slightly in the year with 526 block beds filled (2015/16: 510).

Expenditure reduced in line with the reduction in income as a consequence of the mechanism used to calculate care fees owed to OSJCT. Whilst the Charity uses significant agency resource throughout Gloucester, particularly in its homes with nursing provision, the burden of this cost is held by OSJCT, and therefore the impact of this is not shown within the Charity's accounts.

Going Concern

The Charity shows a deficit on reserves, the main reason for which is that the Estates Strategy has not yet been completed in the timeframe originally determined at the outset of the 35-year care contract with GCC which commenced in 2005. The re-establishment of the Estates Committee in 2017/18 will focus on the ongoing financial sustainability of all homes and hence the sustainability of GCP. The two members of the Charity, (bpha and OSJCT), have agreed to provide financial support to the Charity until the next break clause in the care contract with GCC, which is April 2020.

Given the support of the members, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future from the date of signing of these report and financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Reserves policy and risk management

The Trustees need to ensure the Charity is sustainable in the future hence the on-going discussions with GCC around care provision and the delivery of a more beneficial model which will assist in reducing the reserves deficit and the ongoing performance of the Charity. At the year-end there was a total deficit of £567,000. The Trustees are committed to ensuring that the reserves deficit does not increase beyond 2016/17 and will work together in the coming year to agree how to fund in-year deficits between both member of the Charity (bpha and OSJCT).

The Trustees have identified and implemented risk management strategies to which the charity could be exposed and establishes controls and action plans over these.

The principal risks to which the Charity may be subject:

- **Governance and Management** - the strategic objectives of the Charity are reviewed annually, to set clear goals for the current year in line with long term aspirations and Charity Commission guidelines, in order to continue to deliver quality care services.
- **Operational Control** – there are established systems to manage and report operating performance to all stakeholders in the Trust, which are reviewed regularly. Trustees are considering how this can be improved to ensure strong communications exist to maximise availability of the provision of care for the residents.
- **Financial Controls** – Operational financial management of the Charity is undertaken by OSJCT which is overseen by a Board of Trustees.

THE GLOUCESTERSHIRE CARE PARTNERSHIP

- **Legal and Compliance Risks** - OSJCT as Care Provider complies with all care homes legislation and other applicable laws relating to the homes or to the provision of services including (without limitation) those relating to health and safety, hygiene, fire, employment and data protection.

Trustees' Responsibilities Statement

The Trustees (who are also directors of The Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Financial Reporting Standards (FRS 102) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the statement of financial activities (incorporating the income and expenditure account), of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

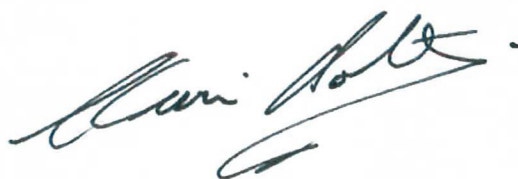
The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditors

Grant Thornton will not be reappointed as auditors. New auditors will be appointed at the forthcoming Annual General Meeting.

The Trustees Annual Report, incorporating the Strategic Report, was approved by the Board on 8 June 2018.



Kevin Bolt
Trustee

Independent auditor's report to the members of The Gloucestershire Care Partnership

We have audited the financial statements of The Gloucestershire Care Partnership 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees' (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees' (incorporating the Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the Trustees' (incorporating the Strategic Report).

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

Carol Rudge
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

8 June 2018

Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2017

	Notes	31 March 2017 Unrestricted Funds £'000	31 March 2016 Unrestricted Funds £'000
Income from:			
Charitable activities	2	15,554	16,060
Investments (interest)		1	5
Total Income		15,555	16,065
Expenditure on:			
Charitable activities	3	15,564	16,110
Total Expenditure		15,564	16,110
Net deficit for the year		(9)	(45)
Net Movement of Funds		(9)	(45)
Reconciliation of Funds:			
Total deficit brought forward		(558)	(513)
Total deficit carried forward at 31 March		(567)	(558)

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

The accompanying notes form part of these financial statements

THE GLOUCESTERSHIRE CARE PARTNERSHIP

Balance Sheet as at 31 March 2017

	Notes	2017 Unrestricted Funds £'000	2016 Unrestricted Funds £'000
Fixed assets			
Leasehold assets	5	221	230
Current assets			
Debtors	6	1,206	1
Cash and Cash Equivalents	9	1,368	1,058
		2,574	1,059
Current liabilities			
Creditors: amounts falling due within one year	7	(3,362)	(1,350)
		(788)	(291)
Net current liabilities			
Provisions for Liabilities	8	-	(497)
		(567)	(558)
Net liabilities			
Funds:			
Unrestricted Funds		(567)	(558)
Total deficit	11	(567)	(558)

The accompanying notes form part of these financial statements.

The financial statements of Gloucestershire Care Partnership (Company Number 4667322) were approved by the Trustees on 8 June 2018 and signed on their behalf by:



Kevin Bolt
Trustee

Statement of Cash flows for the year ended 31 March 2017

	31 March 2017 Unrestricted Funds £'000	31 March 2016 Unrestricted Funds £'000
Cashflows from operating activities:		
Net cash provided by/(used in) operating activities	323	(773)
Cashflows from investing activities:		
Interest (Net)	(13)	(10)
Net cash provided by investing activities	(13)	(10)
Change in cash and cash equivalents in the year	310	(783)
Cash and cash equivalents at the beginning of the year	1,058	1,841
Cash and cash equivalents at the end of the year	1,368	1,058
Net deficit for the year	(9)	(45)
Adjustments for:		
Depreciation charges	9	9
(Increase)/Decrease in debtors	(1,205)	6
Increase/(Decrease) in creditors	2,012	(1,250)
(Decrease)/Increase in provisions	(497)	497
Interest Received	(1)	(5)
Interest Paid	14	15
Net cash provided by/(used in) operating activities	323	(773)

The accompanying notes form part of these financial statements.

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

The company is a private company limited by guarantee and is registered in England and Wales. The company's registered address is Bedford Heights, Manton Lane, Bedford, MK41 7BJ. The company's registered number is 4667322.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) issued in July 2014, UK financial reporting Standards (FRS 102) and the Companies Act 2006. The Financial Statements of the charity, which is a public benefit entity under FRS102, have been prepared on the historical cost basis. The principal accounting policies adopted in the preparation of the accounts are set out below and any changes restated in the previous year. The accounts are presented in £ sterling.

b. Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

c. Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Investment income and gains are allocated to the appropriate fund.

d. Income from charitable activities

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenue is accounted for on the basis of invoiced charges to GCC for residential and related care services, raised in accordance with Local Authority block contract and recognised over the period in which provided. Income excludes charges to self-funding residents.

e. Expenditure on charitable activities

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular heading they are allocated to activities on a basis consistent with use of the resources.

Residential care costs are contractual payments to OSJCT as care provider in relation to the provision of care services in the homes. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include rent and planned maintenance.

f. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the Charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Charity's estimates and assumptions are based on historical experience and expectation of future events and are periodically reviewed.

GCP acting as agent recognises income from GCC in full as per the contractual arrangements. GCP is not considered to act as principal in the contractual arrangements with self-funded residents. Accordingly, income received from self-funded residents is not recognised.

THE GLOUCESTERSHIRE CARE PARTNERSHIP

Management considered the classification of leases between finance and operating leases, and took the judgement that all leases should be classified as operating.

g. Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

h. Taxation status

As a charity the GCP is exempt from taxation on its charitable activities.

i. Fixed assets

Expenditure incurred on assets held on a continuing basis for the activity of the company is capitalised where appropriate and included in fixed assets at cost. Depreciation is provided to write off the cost less residual value on a straight line basis over the useful economic life of the asset concerned. The following rates apply:

Leasehold assets: 30 years or remainder of lease if shorter.

j. Going Concern

The Charity shows a deficit on reserves, the main reason for which is that the Estates Strategy has not yet been completed in the timeframe originally determined at the outset of the 35-year care contract with GCC which commenced in 2005. The re-establishment of the Estates Committee in 2017/18 will focus on the ongoing financial sustainability of all homes and hence the sustainability of GCP. The two members of the Charity, (bpha and OSJCT), have agreed to provide financial support to the Charity until the next break clause in the care contract with GCC, which is April 2020.

Given the support of the members, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Income from Charitable activities

The fees for care of £15,554,000 (2015/16: £16,060,000) are received for block and spot placement contracts with GCC.

3. Expenditure on charitable activities

	2017 £'000	2016 £'000
Care services fees	12,089	12,114
Operating lease rentals – land & buildings	3,421	3,433
Increase in provision (note 8)	-	497
Management and professional fees	21	36
Interest (net)	14	15
Depreciation	9	9
Governance costs (audit fee)	10	6
Total Charitable expenditure	15,564	16,110

4. Trustees Remuneration

The Trustees neither received nor waived any emoluments during the year.

No out of pocket expenses were reimbursed to Trustees.

5. Fixed assets

	Leasehold Improvements £'000
Cost	
At 1 April 2016 and 31 March 2017	<u>272</u>
Depreciation	
At 1 April 2016	42
Depreciation charge	9
At 31 March 2017	<u>51</u>
Net Book Value	
At 1 April 2016	230
At 31 March 2017	<u>221</u>

6. Debtors

	2017 £'000	2016 £'000
Other debtors	1,206	-
Amounts due from related undertakings	-	1
Total	<u>1,206</u>	<u>1</u>

7. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	819	259
Accruals	1,479	6
Amounts due to related undertakings	1,064	1,085
Total	<u>3,362</u>	<u>1,350</u>

8. Provisions for liabilities

	2017 £'000	2016 £'000
At 1 April 2016	497	-
Additions	-	497
Released in the year	(497)	-
At 31 March 2017	<u>-</u>	<u>497</u>

The provision relates to potential adjustments to contractual obligations. (ref. page 5, Activities and Performance section)

9. Cash and Cash Equivalents

	2017 £'000	2016 £'000
Cash at bank	1,368	1,058
Total	1,368	1,058

10. Operating Lease commitments

At 31 March 2017, the company had total commitments under non-cancellable operating leases as follows:

	2017 Land and Buildings £'000	2016 Land and Buildings £'000
Due within 1 year	3,469	3,518
Due within 1-5 years	12,097	13,963
Due in more than 5 years	114,116	116,388
	129,682	133,869

11. Analysis of net liabilities between funds

	2017 Unrestricted Funds £'000	2016 Unrestricted Funds £'000
Funds balances are represented by:		
Fixed assets	221	230
Current assets	2,574	1,059
Current liabilities	(3,362)	(1,847)
Total net liabilities	(567)	(558)

12. Related Party Transactions

bpha

The income and expenditure account includes the following transactions between the Partnership and bpha, which is one of two equal members in the company:

	2017 £'000	2016 £'000
Expenditure:		
Property lease rentals	2,334	2,378
Interest	7	7
	2,341	2,385

THE GLOUCESTERSHIRE CARE PARTNERSHIP

The amounts due to or from bpha at the year-end are:

	2017 £'000	2016 £'000
Payable:		
Short-term loan	250	250
Interest on loan payable	121	114
Property lease rentals	274	716
	<u>645</u>	<u>1,080</u>

OSJCT

The income and expenditure account includes the following transactions between the Partnership and OSJCT, which is one of the two equal members in the company:

	2017 £'000	2016 £'000
Expenditure:		
Contractual payments to OSJCT	12,089	12,114
Management fees	21	36
Interest on loan	7	7
	<u>12,117</u>	<u>12,157</u>

The amounts due to or from OSJCT at the year-end are:

	2017 £'000	2016 £'000
Receivable:		
Trade debtor	-	1
	<u>-</u>	<u>1</u>
Payable:		
Short-term loan	250	250
Interest on loan	121	114
Contractual payments to OSJCT		(359)
Management fees	48	
	<u>419</u>	<u>5</u>

Under the terms of the care services contract Gloucestershire County Council are contracted to purchase a minimum number of bed spaces in the GCP homes with the balance being available to OSJCT. In the event purchasing falls below these levels the Council either pay a 'void' rate or OSJCT has the rights to offer the bed space to the NHS, other Local Authorities or private fee payers. Any such placements by OSJCT are at nil consideration to GCP.

All income directly received by OSJCT and any associated risk e.g. providing required care at premium rates (agency), being exposed to doubtful debt or rising costs above contractual inflation that may arise, is the direct responsibility of OSJCT as care provider.

OSJCT and bpha each provide a working capital loan to the Charity of £250,000 on an arm's lengths basis, renewable on a 12-month basis.