

Charity Registration No. 1114653

Company Registration No 05639165

**FAIRFIELD RESIDENTIAL HOME  
A COMPANY LIMITED BY GUARANTEE**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 30 September 2017**

**Wenn Townsend  
Chartered Accountants  
Oxford**

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

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# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

## Charity information

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### **The Management Committee who served during the year were:**

#### **Management Committee**

Mr J Cole (Chairman)  
Mrs C I Balme (appointed 24 March 2017)  
Mrs H Bliss  
Mrs R E Booth (24 March 2017 to 22 September 2017)  
Mrs J Carles (resigned 25 October 2016)  
Dr C A Chivers (appointed 24 March 2017)  
Mr C B Gardner  
Dr N Livingstone (resigned 1 October 2016)  
Mr K Minns  
Mrs J Moir (resigned 24 March 2017)  
Mrs W Robinson  
Mr A O'Hickey  
Dr T Stein (deceased 8 January 2017)

#### **Secretary**

Mr P T Reeves

#### **Solicitors**

Freeths Solicitors LLP  
5000 Oxford Business Park South  
Oxford  
OX4 2BH

#### **Auditors**

Wenn Townsend  
30 St Giles  
Oxford  
OX1 3LE

#### **Bankers**

Handelsbanken  
Seacourt Tower  
West Way  
Oxford  
OX2 0JJ

#### **Investment advisors**

CCLA Investment Management Limited  
80 Cheapside  
London  
EC2V 6DZ

#### **Registered Charity number**

1114653

#### **Company Number**

05639165

#### **Registered office**

115 Banbury Road  
Oxford  
OX2 6LA

#### **Manager**

Mrs A Parry

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

## **Management Committee's Annual Report**

**For the year ended 30 September 2017**

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### **Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. All of the Management Committee on page 2 are directors.

### **Structure, governance and management**

#### Governing Document

Fairfield Residential Home is a company limited by guarantee governed by its Memorandum and Articles of Association dated 29 November 2005. It is registered as a charity with the Charity Commission.

#### Appointment of trustees

As set out in the Articles of Association the chair of the trustees is appointed by the board of trustees. The trustees have appointed Mr J Cole as Chairman. In accordance with the Articles of Association Messrs O'Hickey and Chivers, and Mrs Bliss retire at the annual general meeting and will be proposed for re-election.

#### Trustee induction and training

New trustees are given documentation containing information on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the recent financial performance and the future financial plans of the charity. Trustees are encouraged to attend appropriate training events that will facilitate the undertaking of their role, and from time to time members of the Management Committee attend seminars on their role as trustees.

#### Key management personnel

The Trustees have identified the Manager of Fairfield Residential Home, Mrs Alison Parry, as a key member of the management team. Mrs Parry's salary is fixed by reference to the salaries of comparable posts in care homes in Oxfordshire. Since the end of the financial period Mrs Parry has tendered her resignation and left the employment of Fairfield. Her replacement is Ms Debbie Hayes.

#### Organisation

The trustees delegate the management of the Charity to a Management Committee which includes all trustees. The Management Committee has meetings on seven or eight occasions each year. At the meetings of the Management Committee the broad strategy of the Trust is considered. This includes allocation of resources, investment in leasehold improvements to the Home, reserves and risk management, management of staff, charges to residents, compliance with all legal and charitable obligations as well as the requirements of the local authority and social care services. The management of the day to day operations are the responsibility of the Manager. This includes decisions relating to the admission of new residents.

There are two sub-committees that make recommendations to the main Committee. They are the Health & Wellbeing subcommittee and the Buildings and Finance subcommittee.

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

## **Management Committee's Annual Report**

**For the year ended 30 September 2017**

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### Risk management

The trustees have a risk management strategy which comprises:

- A risk register has been compiled that categorises every identified perceived risk by reference to "Risk Impact" and "Risk Likelihood", and sets out proposed mitigating actions.
- The risk register is reviewed at every Trustees' Meeting, and the implementation of procedures designed to minimise any potential impact on the charity is reviewed at those meetings, alongside potential new risks which may have been identified.

The trustees are satisfied that the implementation of the risk register is the best way of remaining alert to the potential risks facing Fairfield Residential Home.

## **Objectives and activities**

### **Object of the Charity**

The objects of the Charity are the relief of elderly persons who have ceased to be, or are not fully, employed in particular through the provision of accommodation, food, care and other facilities. During the period of this report the Home has had 27 bedrooms, gardens, lounge, activity areas and a fully equipped dining area. Most residents are long stay residents.

### **Review of the Charity's activities for the public benefit**

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

The number of residents during the year averaged 22 (2016 24).

In order that members of the public can benefit from the activities of the Home the Trustees keep the monthly charges for residence as low as is consistent with the continuance of activities and provision of outstanding care. All applications from elderly persons who meet the Home's admission criteria for health are considered and equal merit is given to all such applicants. Applicants who are unable to meet the Home's residential charges are able to make application to the local authority to meet all or part of them.

The activities of the Home are published in the *Care in Oxfordshire*, *Oxfordshire Care Directory* and *Healthcare Media* publications.

### **Financial review, investment policy and reserves**

The Charity made a surplus of £21,150 during the year (2016 £6,938,516). The surplus in 2016 was mainly attributable to a profit on sale of freehold property of £6,903,653 and the trustees are well advanced with plans to construct a new, purpose built facility on land contiguous with the former freehold land, that is subject to a long lease. At the end of the financial year the assets of the Charity were represented by leasehold property, furniture and fittings and cash and bank balances and money deposits with COIF and Handelsbanken. The Trustees consider that free reserves should be the equivalent of six months' expenditure excluding depreciation. At the end of the year free reserves were £701,381, (2016: £878,332) and this is some £256,000 in excess of the free reserves target. The Trustees consider the position is satisfactory having regard to contingencies in the construction project.

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

## **Management Committee's Annual Report**

**For the year ended 30 September 2017**

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### **Investment Policy**

The Charity's money is held in deposit accounts with COIF, Shawbrook Bank Ltd and Handelsbanken. The Management Committee consider this to give an adequate return consistent with the need to keep funds available to meet future building costs, contingencies and due to the uncertain nature and inherent risk of the stock market.

### **Future plans**

The Charity has embarked on a development project to build a new residential home of thirty nine bedrooms. The development contracts provide for a short term leaseback of the Charity's former property to allow for the construction of the new home on land contiguous with its former freehold property. The building contract anticipates a completion date of March 2018 after which CQC approval will be sought for occupancy as a residential home. During the construction period of the new home the charitable activities will continue as normal. The construction costs of c £7m will be entirely funded from the proceeds of sale of £7.5m. The Trustees are planning to use the surplus funds in accordance with the charitable objects of Fairfield Residential Home.

### **Trustees' responsibilities in relation to the financial statements**

The Trustees (who are also directors of Fairfield Residential Home for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the Charity at the end of the financial period and of its income or expenditure for the financial period. In doing so the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and the Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity, and to enable them to ensure that the accounts comply with the Companies Act 2006. The trustees are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**On behalf of the Management Committee**  
**Mr J Cole**

**Chairman**  
**19 June 2018**

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# FAIRFIELD RESIDENTIAL HOME

## Independent Auditors' Report to the members of Fairfield Residential Home

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### Opinion

We have audited the financial statements of Fairfield Residential Home for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, 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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 charitable company 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.

# **FAIRFIELD RESIDENTIAL HOME**

## **Independent Auditors' Report to the members of Fairfield Residential Home**

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### **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 trustees' 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 charitable company'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 Management Committee 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 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
- the charitable company has not kept adequate accounting records; 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.



# **FAIRFIELD RESIDENTIAL HOME**

## **Independent Auditors' Report to the members of Fairfield Residential Home**

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### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 5, 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, 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 charitable company'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 charitable company 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Graham Cole BA, FCA**

**Senior Statutory Auditor**

**For and on behalf of Wenn Townsend, Statutory Auditor  
Oxford**

**19 June 2018**

# **FAIRFIELD RESIDENTIAL HOME** **A COMPANY LIMITED BY GUARANTEE**

## **Statement of Financial Activities** **Including income and expenditure account**

**For the year ended 30 September 2017**

|  | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2017<br>£ | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ |
|--|------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| <b>Income</b>                            |      |                            |                          |                    |                            |                          |                    |
| <i>Income from charitable activities</i> |      |                            |                          |                    |                            |                          |                    |
| Residents' and visitors' fees            |      | 867,197                    | -                        | 867,197            | 896,213                    | -                        | 896,213            |
| <i>Income from generated funds</i>       |      |                            |                          |                    |                            |                          |                    |
| Investment income                        |      | 51,087                     | -                        | 51,087             | 14,576                     | -                        | 14,576             |
| Donations                                |      | -                          | 3,021                    | 3,021              | -                          | 7,745                    | 7,745              |
| <i>Other income</i>                      |      |                            |                          |                    |                            |                          |                    |
| Sale of freehold property                | 4    | -                          | -                        | -                  | 6,903,653                  | -                        | 6,903,653          |
| <b>Total income</b>                      |      | 918,284                    | 3,021                    | 921,305            | 7,814,442                  | 7,745                    | 7,822,187          |
| <b>Expenditure</b>                       |      |                            |                          |                    |                            |                          |                    |
| Cost of raising funds                    | 1    | 18,682                     |                          | 18,682             | 22,759                     | -                        | 22,759             |
| <i>Charitable expenditure</i>            |      |                            |                          |                    |                            |                          |                    |
| Costs of operating Home                  | 2    | 879,149                    | 2,324                    | 881,473            | 856,465                    | 4,447                    | 860,912            |
| <b>Total expenditure</b>                 |      | 897,831                    | 2,324                    | 900,155            | 879,224                    | 4,447                    | 883,671            |
| <b>Net income</b>                        |      | 20,453                     | 697                      | 21,150             | 6,935,218                  | 3,298                    | 6,938,516          |
| <b>Total funds brought forward</b>       |      | 7,792,195                  | 3,406                    | 7,795,601          | 856,977                    | 108                      | 857,085            |
| <b>Total funds carried forward</b>       |      | 7,812,648                  | 4,103                    | 7,816,751          | 7,792,195                  | 3,406                    | 7,795,601          |

# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

## Balance Sheet

30 September 2017

|  | Note | £                | 2017<br>£               | £                | 2016<br>£               |
|--|------|------------------|-------------------------|------------------|-------------------------|
| <b>Fixed assets</b>                                      |      |                  |                         |                  |                         |
| Leasehold property, furniture and fittings               | 5    |                  | 3,768,452               |                  | 984,837                 |
| Fixed asset investments                                  | 6    |                  | 1                       |                  | -                       |
|  |      |                  | <u>3,768,453</u>        |                  | <u>984,837</u>          |
| <b>Current assets</b>                                    |      |                  |                         |                  |                         |
| Cash at bank and in hand                                 |      | 4,092,239        |                         | 6,882,829        |                         |
| Debtors  | 7    | 21,147           |                         | 22,783           |                         |
|  |      | <u>4,113,386</u> |                         | <u>6,905,612</u> |                         |
| <b>Deduct: Current Liabilities</b>                       |      |                  |                         |                  |                         |
| Creditors - amounts falling due within one year          | 8    | (36,844)         |                         | (64,363)         |                         |
| <b>Net current assets</b>                                |      |                  | <u>4,076,542</u>        |                  | <u>6,841,249</u>        |
| <b>Total assets less current liabilities</b>             |      |                  | <u>7,844,995</u>        |                  | <u>7,826,086</u>        |
| Creditors - amounts falling due after more than one year | 9    |                  | (28,244)                |                  | (30,485)                |
| <b>Net assets</b>  |      |                  | <u><u>7,816,751</u></u> |                  | <u><u>7,795,601</u></u> |
| <b>Represented by:</b>                                   |      |                  |                         |                  |                         |
| Unrestricted general funds                               |      |                  | 717,948                 |                  | 697,495                 |
| Unrestricted designated funds                            |      |                  |                         |                  |                         |
| - Building Reserve                                       | 11   |                  | 7,094,700               |                  | 7,094,700               |
| Restricted funds   | 10   |                  | 4,103                   |                  | 3,406                   |
|  |      |                  | <u><u>7,816,751</u></u> |                  | <u><u>7,795,601</u></u> |

The accounts have been prepared in accordance with the special provisions part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

These financial statements were approved by the Management Committee on 19 June 2018 and signed on its behalf by:

**Mr J Cole**  
**Chairman**

**Company registration number 05639165 (England and Wales)**

# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

## Cash Flow Statement

30 September 2017

### Reconciliation of operating result to net cash outflow from operating activities

|  | 2017<br>£       | 2016<br>£     |
|--|-----------------|---------------|
| Operating (deficit)/surplus (see below)                    | (29,937)        | 20,287        |
| Depreciation   | 8,002           | 8,239         |
| Decrease in debtors  | 1,635           | 4,308         |
| (Decrease)/increase in creditors                           | (29,760)        | 27,973        |
| <b>Net cash (outflow)/inflow from operating activities</b> | <b>(50,060)</b> | <b>60,807</b> |

### Cash flow statement

|   |             |           |
|---|-------------|-----------|
| Net (outflow)/inflow from operating activities  | (50,060)    | 60,807    |
| Returns on investments and servicing of finance |             |           |
| Interest received                               | 51,087      | 14,576    |
| Capital receipt                                 | -           | 7,500,000 |
| Capital expenditure                             | (2,791,617) | (960,268) |
| (Decrease)/Increase in cash                     | (2,790,590) | 6,615,115 |

### Reconciliation of net cash flow to movement in net debt

|                                       |                  |                  |
|---------------------------------------|------------------|------------------|
| Net funds at 1 October 2016           | 6,882,829        | 267,714          |
| (Decrease)/Increase in cash           | (2,790,590)      | 6,615,115        |
| <b>Net funds at 30 September 2017</b> | <b>4,092,239</b> | <b>6,882,829</b> |

### Reconciliation of net movement in funds to operating surplus

|                                    |                 |               |
|------------------------------------|-----------------|---------------|
| Net movement in funds per SOFA     | 21,150          | 6,938,516     |
| Less: Interest receivable          | (51,087)        | (14,576)      |
| Gain on sale of property           | -               | (6,903,653)   |
| <b>Operating (deficit)/surplus</b> | <b>(29,937)</b> | <b>20,287</b> |

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

## **Accounting policies**

### **For the year ended 30 September 2017**

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The following accounting policies have been used consistently in dealing with items which are considered material to the Home's financial statements.

#### **Basis of preparation**

The accounts are prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### **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 no restatement of comparative items was needed.

#### **Income**

Income is included in the accounts when entitlement is reasonably certain, receipt is probable and the amount can be measured reliably.

#### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under appropriate headings. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

#### **Fixed assets and depreciation**

In accordance with charity rules, all items of a capital nature have been classified as additions to fixed assets. The buildings are subject to regular refurbishment and maintenance, and, in light of the foregoing, no depreciation is provided because any charge is considered by the trustees to be immaterial. Depreciation of the other fixed assets is provided as follows:

|                       |                   |
|-----------------------|-------------------|
| Heating system        | 5% straight line  |
| Fixtures and fittings | 25% straight line |
| Double glazing        | 5% straight line  |

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

## **Accounting policies**

**For the year ended 30 September 2017**

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### **Charity funds**

- The Charity's unrestricted funds may be spent for the furtherance of the Charity's objects at the discretion of the trustees.
- The Charity's restricted funds may be used in accordance with specific restrictions imposed by donors.

### **Pensions**

The Home contributes to personal defined contribution pension schemes on behalf of certain of its employees. The employer's contributions are charged against the income and expenditure account in the year in which they are made.

### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity.

### **Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

### **Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

## Notes to the accounts

For the year ended 30 September 2017

|   |                     |                   |                |                |
|---|---------------------|-------------------|----------------|----------------|
| <b>1. Cost of raising funds</b>                     |                     |                   | <b>2017</b>    | <b>2016</b>    |
|   |                     |                   | £              | £              |
| Advertising and marketing                           |                     |                   | <u>18,682</u>  | <u>22,759</u>  |
| <b>2. Costs of operating Home</b>                   | <b>Unrestricted</b> | <b>Restricted</b> | <b>2017</b>    | <b>2016</b>    |
|   | £                   | £                 | £              | £              |
| Provisions  | 51,542              |                   | 51,542         | 50,621         |
| Rent, water and Council Tax                         | 10,026              |                   | 10,026         | 16,222         |
| Light and heat                                      | 19,501              |                   | 19,501         | 20,037         |
| Insurance   | 3,585               |                   | 3,585          | 3,556          |
| Repairs and renewals - Furnishing                   | 18,696              |                   | 18,696         | 18,356         |
| - Buildings   | 4,948               |                   | 4,948          | 6,790          |
| Laundry and household                               | 20,392              |                   | 20,392         | 25,420         |
| Amenities   | 11,478              |                   | 11,478         | 11,109         |
| Wages and national insurance                        | 644,378             | 2,324             | 646,702        | 628,707        |
| Pension   | 15,047              |                   | 15,047         | 15,537         |
| Staff costs and temporary staff                     | 14,512              |                   | 14,512         | 13,763         |
| Postage and stationery                              | 7,217               |                   | 7,217          | 4,491          |
| Telephone   | 2,454               |                   | 2,454          | 2,216          |
| Software licences and publications                  | 7,189               |                   | 7,189          | 6,642          |
| Registration fees                                   | 4,212               |                   | 4,212          | 3,761          |
| Professional services                               | 26,527              |                   | 26,527         | 16,001         |
| Depreciation  | 8,002               |                   | 8,002          | 8,239          |
|   | <u>869,706</u>      | <u>2,324</u>      | <u>872,030</u> | <u>851,468</u> |
| Governance Costs (all unrestricted)                 |                     |                   |                |                |
| Audit fees  |                     |                   | 3,960          | 2,640          |
| Other professional fees                             |                     |                   | 4,767          | 5,898          |
| Bank charges  |                     |                   | 716            | 906            |
|   |                     |                   | <u>9,443</u>   | <u>9,444</u>   |
|   |                     |                   | <u>881,473</u> | <u>860,912</u> |
| <b>3. Wages and salaries</b>                        |                     |                   |                |                |
| Average number of employees (full time equivalent): |                     |                   |                |                |
| Care and domestic                                   |                     |                   | 23             | 22             |
| Catering  |                     |                   | 2              | 2              |
| Maintenance   |                     |                   | 1              | 1              |
| Administration                                      |                     |                   | 3              | 3              |
|   |                     |                   | <u>29</u>      | <u>28</u>      |
| Staff costs were as follows:                        |                     |                   | £              | £              |
| Wages and salaries                                  |                     |                   | 600,014        | 583,692        |
| Social security costs                               |                     |                   | 46,688         | 45,015         |
| Pension costs                                       |                     |                   | 15,047         | 15,537         |
|   |                     |                   | <u>661,749</u> | <u>644,244</u> |

No employee was paid more than £60,000 in the current or preceding year.

# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

For the year ended 30 September 2017

## 4. Exceptional item

In February 2016 the Charity simultaneously signed contracts for the sale of the freehold premises, a building lease on land contiguous with the former freehold premises and a short term leaseback of the Charity's former property to allow for the construction of the new home under the building lease.

## 5. Fixed assets

|                       | Assets<br>under<br>construction | Double<br>Glazing | Heating<br>System | Fixtures<br>and<br>fittings | Total            |
|-----------------------|---------------------------------|-------------------|-------------------|-----------------------------|------------------|
|                       | £                               | £                 | £                 | £                           | £                |
| <b>Cost</b>           |                                 |                   |                   |                             |                  |
| At 1 October 2016     | 960,268                         | 17,389            | 77,358            | 28,154                      | 1,083,169        |
| Additions             | 2,791,617                       | -                 | -                 | -                           | 2,791,617        |
| At 30 September 2017  | <u>3,751,885</u>                | <u>17,389</u>     | <u>77,358</u>     | <u>28,154</u>               | <u>3,874,786</u> |
| <b>Depreciation</b>   |                                 |                   |                   |                             |                  |
| At 1 October 2016     | -                               | 13,149            | 59,016            | 26,167                      | 98,332           |
| Charge for the year   | -                               | 1,282             | 5,736             | 984                         | 8,002            |
| At 30 September 2017  | <u>-</u>                        | <u>14,431</u>     | <u>64,752</u>     | <u>27,151</u>               | <u>106,334</u>   |
| <b>Net book value</b> |                                 |                   |                   |                             |                  |
| At 30 September 2017  | <u>3,751,885</u>                | <u>2,958</u>      | <u>12,606</u>     | <u>1,003</u>                | <u>3,768,452</u> |
| At 30 September 2016  | <u>960,268</u>                  | <u>4,240</u>      | <u>18,342</u>     | <u>1,987</u>                | <u>984,837</u>   |

The assets under construction relate to leasehold property with a term of 199 years which commenced on 4 February 2016.

## 6. Fixed asset investments

|                       | Investment in<br>subsidiary |
|-----------------------|-----------------------------|
|                       | £                           |
| <b>Cost</b>           |                             |
| At 1 October 2016     | -                           |
| Additions             | 1                           |
| At 30 September 2017  | <u>1</u>                    |
| <b>Net book value</b> |                             |
| At 30 September 2017  | <u>1</u>                    |
| At 30 September 2016  | <u>-</u>                    |

Investment in subsidiary consists of a 100% holding in the ordinary share capital of New Fairfield Development Company Limited (registration number 10479059). At the year end, the aggregate capital and reserves of the company amounted to £1 and profit for the year amounted to £nil.



# FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE

For the year ended 30 September 2017

## 7. Debtors

|                                     | 2017<br>£     | 2016<br>£     |
|-------------------------------------|---------------|---------------|
| Fees and other payments recoverable | 5,374         | 14,973        |
| Interest receivable                 | 7,903         | -             |
| Prepayments                         | 7,870         | 7,810         |
|                                     | <u>21,147</u> | <u>22,783</u> |

## 8. Creditors – amounts falling due within one year

|                              | 2017<br>£     | 2016<br>£     |
|------------------------------|---------------|---------------|
| Trade creditors              | 16,097        | 43,307        |
| PAYE and national insurance  | 16,017        | 14,901        |
| Other creditors and accruals | 4,730         | 6,155         |
|                              | <u>36,844</u> | <u>64,363</u> |

## 9. Creditors – amounts falling due after more than one year

|                     | 2017<br>£     | 2016<br>£     |
|---------------------|---------------|---------------|
| Residents' deposits | <u>28,244</u> | <u>30,485</u> |

## 10. Restricted funds

|                              | Staff<br>Amenities<br>Fund | Staff Fund | Total        |
|------------------------------|----------------------------|------------|--------------|
|                              | £                          | £          | £            |
| Balance at 1 October 2016    | 4,000                      | (594)      | 3,406        |
| Income for the year          | -                          | 3,021      | 3,021        |
| Expenditure for the year     | -                          | (2,324)    | (2,324)      |
| Balance at 30 September 2017 | <u>4,000</u>               | <u>103</u> | <u>4,103</u> |

The staff fund represents restricted funds that have been donated to provide benefits paid to staff within HM Revenue and Customs limits.

The Staff Amenities Fund represents funds that have been donated for the purpose of providing amenities to the staff of Fairfield.

## 11. Unrestricted designated funds

The Building Reserve represents funds set aside for the construction of a new residential home (see note 5 above).

## 12. Taxation status

The Home is exempt from taxation on its charitable activities as a registered charity.

# **FAIRFIELD RESIDENTIAL HOME A COMPANY LIMITED BY GUARANTEE**

**For the year ended 30 September 2017**

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## **13. Trustees' remuneration**

The trustees received no remuneration or reimbursement of expenses in the current or preceding year under review.

## **14. Related Parties**

A construction and project management contract was signed on 6 December 2016 between the Charity and New Fairfield Development Company Limited. New Fairfield Development Company Limited is a wholly owned subsidiary of the Charity and was formed on 15 November 2016.

Mr J Cole has been an employed consultant at Blake Morgan LLP since 1 July 2014. Blake Morgan LLP has provided legal advice to New Fairfield Development Company Limited and invoiced an amount of £1,500 during the year for this. Mr Cole is not an officer of New Fairfield Development Company Limited and played no role in the decision to retain Blake Morgan LLP for this work. The directors considered that to use Blake Morgan LLP for this advice was in the best interests of the company. Blake Morgan LLP was chosen after submitting a quotation at commercial rates. Mr K Minns is also a director of Minns Estates Limited who have provided project management services in relation to the development project undertaken by New Fairfield Development Company Limited and invoiced an amount of £8,640 during the year for this. Mr. Minns withdrew from the board meeting when it was decided who would do this work. The directors considered that to use Minns Estates Limited for this advice was in the best interests of the company. Minns Estates Limited was chosen after submitting a quotation that the directors consider to be at significantly less than commercial rates. The directors considered that to use Minns Estates Limited for this advice was in the best interests of the company. Mr. A O'Hickey is also a partner in Ridge and Partners LLP who have provided quantity surveying, and mechanical and electrical services to the development project undertaken by New Fairfield Development Company Limited and invoiced an amount of £35,200 during the year for this. Mr. O'Hickey withdrew from the board meeting when it was decided who would do this work. The directors considered that to use Ridge and Partners LLP was in the best interests of the company and they were chosen after submitting quotations at commercial rates. Ridge and Partners LLP were chosen after comparing tenders from other providers of these services.

## **15. Capital commitments**

At 30 September 2017 the Charity had contracted to expenditure of approximately £3.5 million.

## **16. Legal status**

Fairfield Residential Home is a charitable company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £10.

## **17. Contingent Liability**

A former employee has made a claim under employment legislation claiming a significant sum, material to the accounts. The Trustees are currently taking legal advice and the outcome is uncertain.

