



Charity Registration No. 1088236

Company Registration No. 04263352 (England and Wales)

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Harrold Mr T Woodhams Mr M Jones Mrs MW Vyvyan Mr MJ Nixon Mrs RG Hunt
Secretary	Mrs VKV Cook
Charity number	1088236
Company number	04263352
Principal address	Bosence Farm 69 Bosence Road Townshend HAYLE Cornwall TR27 6AN
Registered office	Bosence Farm 69 Bosence Road Townshend HAYLE Cornwall TR27 6AN
Auditor	Robinson Reed Layton LLP Peat House Newham Road TRURO Cornwall TR1 2DP
Bankers	Lloyds Bank Birmingham OSC Ariel House 2138 Coventry Road SHELDON B26 3JW
Solicitors	Stephens Scown LLP Osprey House Malpas Road TRURO Cornwall TR1 1UT

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

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BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are directors for the purposes of company law, are pleased to present their report and financial statements for the year ended 31 March 2018. This report is a combined annual report containing a directors' report as required by company law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The broad object of the charity is "To relieve poverty, sickness, distress, and the provision of temporary accommodation for those in necessitous circumstances with particular regard to those who are affected by addiction to drugs and alcohol misuse". In the furtherance of these objects the charity provides suitable accommodation, counselling, education, support and information to drug and alcohol misusers, together with their friends and relatives. The charity also promotes training and research into the dangers arising from the habitual or other uses of drugs and alcohol. In addition the charity promotes and provides the development of new facilities pertaining to the treatment and rehabilitation of drug and alcohol misusers and prevention of drug and alcohol misuse.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. In particular the trustees consider how planned activities will contribute to its aims and objectives.

The charity's activities deliver public benefit as follows:

Bosence Farm (Bosence) is the residential rehabilitation service, registered with the Care Quality Commission. The length of stay at Bosence is usually 12 weeks for people funded by the drug and alcohol treatment system, although longer stays are available where appropriate, either through extended funding with the DAAT, or through alternative funding streams (most usually through the Council-funded Complex Needs services). The Complex Needs service also provides the funding to support homeless people through their primary rehabilitation at Bosence.

Bosence provides residential treatment for up to 15 individuals who are actively in recovery from alcohol and/or drug dependency. The community offers those choosing to work a 12 Step programme a safe and tranquil environment to both begin and enhance personal recovery. Bosence offers a wide range of skill development, including life-skills, resettlement and aftercare support. All elements are aimed at empowering individuals to achieve personal goals and live independently, without the need to resort to alcohol or other drugs, by the time they leave.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Use of volunteers

Despite the comparative youth of our Volunteer Project, our volunteers have become an integral part of the Bosence Farm Community Team, and we are grateful to Health for Social Care Volunteering Fund for their generous four year funding, and to the Duchy Health Charity for all their support in the initial project set up.

We currently have thirteen active volunteers assisting Bosence Farm with a wide variety of activities and tasks including head massage, origami, pottery, telephone support, general maintenance, driving and gardening. The driving is hugely beneficial in relieving pressure on staff, and involves taking service users to housing assessments, GP and hospital appointments and NA and AA fellowship meetings. The gardening project is going from strength to strength with several volunteers playing key roles in the development and maintenance of all the land available for growing home-grown produce for use within the kitchens as well as creating new flowerbeds and communal areas for relaxation and socialising. This not only benefits service users and staff therapeutically, it is also hoped that this will have a financial impact in reducing food costs and promoting self-sustainability when clients leave treatment. The pottery, head massage and origami are run by our longest serving and most trusted volunteers, with consistently positive feedback from service users who all look forward to these therapeutic sessions, and we are hoping that a new volunteer will be providing meditation and relaxation sessions for clients.

We now have a Volunteer Events Organiser who will be arranging appropriate themed events for clients on a monthly basis, with the emphasis on fun, teamwork and trust, showing residents that fun can be had without the use of drugs and alcohol. During June 2018 a World Cup event took place at Boswyns.

We are also hoping that volunteers will be able to help in the Young Persons Unit with driving, support and therapeutic activities. A new volunteer was recently interviewed with a range of skills and experience of working with young people with learning and behavioural difficulties, and is eager to help in any way she can, as well as gaining valuable experience for her career prospects.

We are now members of the 'Time Credits' scheme which offers volunteers rewards for time given in the form of credits to be used for personal leisure activities at a number of county wide gardens, theatres, leisure centres and museums. They can also choose to have their credits banked for a group activity, at say the Minack Theatre. The local stables who provide Equine Assisted Psychotherapy to Bosence Farm have also signed up to the scheme, and it is hoped that due to its popularity with residents, upon leaving treatment they can volunteer for the stables and receive credits to spend on therapy, or the wide choice of venues on offer.

Several volunteers – most of whom have come through treatment with us - have gone on to become permanent members of staff at Bosence Farm, including Bank Support Workers, Support Workers and the new Volunteer Coordinator.

Mandy Pinnington was nominated for an award at the Volunteer Cornwall Awards for Personal Development, and was runner-up. This year's awards are due in August 2018 with many, if not all our volunteers worthy of nominations. We will also be nominating ourselves for the Host Organisation award.

As the volunteering initiative grows and expands, the networking, promotion and recruitment possibilities synchronise and expand consequently, improving our image as an organisation of growth and diversity, attracting individuals from a wide range of backgrounds and experience. This truly is a priceless resource, and one that enables dreams and aspirations to become reality, both personally and organisationally.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

During the 2017/18 financial year, we provided 66 episodes of treatment (63 in 2016/17). Of the 58 people who left the service in the period, 42 were planned resettlements. This represents a successful completion rate of 72.5% compared to 53% in the previous year. This represents a considerable improvement in outcomes for the service attributable to a re-focussing of the treatment approach and a restructure of staffing to provide more support to service users. This is an area we hope to sustain and build on in the coming years.

As a result of lower attrition and longer lengths of stay, average occupancy for the full year increased considerably to 11.5 compared with 9 in the previous year. Demand and referral levels remain unpredictable and dependent on many factors, including the availability of funds. We therefore continue to work to identify new revenue streams both within and outside of Cornwall to ensure we remain sustainable in the longer term.

Bosence has continued to offer "Equine Assisted Psychotherapy and Learning" (EAP) as an additional element to the programme of recovery with a very positive impact on helping service users in their recovery, and has again been very gratefully supported by a grant from the Girdlers Company Charitable Trust to enable us to do so.

Our policy of encouraging residents to engage with local groups of Alcoholics Anonymous and Narcotics Anonymous means they have a ready-made extensive and free support service when they leave our services.

Boswyns' 16 bed "inpatient service" providing detoxification, stabilisation and assessment for drug and alcohol addiction opened in May 2010. The average length of stay is around 4 weeks but service users may stay up to six weeks and either move on to residential rehabilitation or return to the community.

During the period, Boswyns' average occupancy was 12 (12.6 in 2016/17). 212 episodes of treatment were delivered (213 in 2016/17), 199 (208) were discharged with 158 (162) of this total completing their course of treatment. This represents a successful completion rate of 79.4% (77.5% in the previous year). The service has implemented Outcome Informed Practice, which is a recognised method for improving outcomes for service users through asking for and reflecting on their feedback about treatment. The complexity of the problems service users are experiencing when coming into treatment continues to increase. Boswyns has now established itself as an integrated part of the wider Cornwall treatment system. Although it receives most of its referrals from Cornwall, it also attracts a small number of Private and "out of county" referrals. Boswyns continues to develop towards its goal of becoming a centre of excellence, at the forefront of innovative drug and alcohol treatment, and has been cited by the service Commissioner as a learning organisation.

During the year we opened our new Young Persons and Family Service which is adjacent to Boswyns. This 8 bed service opened in April 2017 and will initially focus on treating young people with drug and alcohol problems and related needs. The Bosence Farm Young People's Residential Programme is designed for young people who are experiencing substance misuse problems but whose complexity requires a more intensive treatment approach that cannot be met in their communities. The development of the Young Persons unit at Bosence Farm has been informed by research that identifies the critical differences between Young People and Adults which has shaped the programme of treatment. The programme has been specifically designed to help young people transition into adult life with the skills they need. We worked with 7 young people during the year. The service continues to develop, learn and embed ways of working that benefit the young people coming into our care.

The Sanctuary continues to be a very valuable asset in many aspects of the work undertaken at Bosence, being used for private meditation and prayer, relaxation groups and other meetings. A Yoga teacher has been engaged on a sessional basis and these fortnightly sessions are also held in the Sanctuary and are very much appreciated by the residents of both services. A proposal has been put forward to update this building to make it more accessible and usable, by including lavatories and kitchen facilities, as well as additional offices and a training / conference room. A plan has been priced and grant funding is currently being researched and sought.

Financial review

The financial activities and results for the year are shown in the statement of financial activities on page 14.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

The Board have instigated a full financial review of the company's activities, which resulted in the appointment of an in house management accountant in January 2018 (a service previously outsourced). In addition, the auditing service was put out for tender, which resulted in a new firm, Robinson Reed Layton LLP, being appointed for the year ended 31 March 2018.

Reserves policy

The charity's reserves policy was initially set in January 2005 and included the creation of designated reserves, namely, the Bosence Farm Reserve (for residents' accommodation and wholly represented by fixed assets). On an annual basis the trustees consider and review the needs of the charity and designate funds for specific future purchases, services or projects. In addition they have also chosen to designate six months of operating costs to ensure the continuity of the charity. See note 20 for detailed descriptions of each designated fund. In future, the trustees intend to review the designated funds regularly throughout the year.

The total funds of the charity at 31 March 2018 were £3,398,339 (2017: 3,463,642). The amount of these funds that were restricted and not available for the general purposes of the charity at 31 March 2018 were £1,913,456 (2017: 1,982,301). Of the remaining reserves held, a total of £1,205,867 (2017: £682,136) have been designated for various projects, as detailed above. Funds that can only be realised by disposing of tangible fixed assets at 31 March 2018 amount to £1,878,083 of restricted funds and £567,181 of unrestricted funds.

At 31 March 2018, the amount of reserves the charity held that were not restricted, designated or represented by fixed assets were £150,072 (2017: £641,584). The difference from last year's figure is largely due to the designation of six months' operating costs. If this had been included, the free reserves would have been £755,072. The aim is to increase the free reserve figure to at least £200,000 to mitigate the risk against unforeseen circumstances.

Principal funding sources

The Board extends its sincere thanks to the following for their generous support over the last year:

The Henry Smith Charity for a grant of £83,900 for the salary of a Key Worker for three years for the new unit; The Duchy Charity for a grant of £20,000 towards the refurbishment of Bosence Farm and the Bernard Sunley Charitable Trust for their pledge of £5,000 towards this project in June 2017; The Ernest Cook Trust for awarding a grant of £12,000 and the Prince of Wales Benevolent Trust £2,000 both towards the salary of a Wider Estate/Education Manager. The Big Lottery Awards for All grant of £10,000 to run FoodWorks, a series of healthy eating cookery sessions with the Cornwall Food Foundation, through 2018. The Worshipful Company of Girdlers for their ongoing support and a grant of £5,000 to support medically managed detoxification in Boswyns. West Cornwall Youth Trust for a grant of £3,000 for the Young People's Unit activity programme, Viscountess Boyd of Ince Castle for a grant of £2,000 for a tractor/mower and the Rotary Club of Penzance for £500 towards garden furniture. Watson Marlow of Falmouth donated £600 as an unrestricted donation in December and the Rotary Club of Penzance gave a further grant of £300 in December 2017 for Christmas gifts for residents. We extend our sincere thanks for £10,000 in June 2017 from a donor who wishes to remain anonymous.

In June 2017 the charity were accepted as recipients of the Cornwall Community Foundation Crisis Fund and received the first £250 payment for emergency purchases for residents, this support is ongoing and payments requested as required. In addition, we are grateful to the Vicars' Relief Fund for the award of £250 to assist residents moving on from Bosence Farm, this is also an ongoing support scheme to which we can apply.

There have been several considerate bequests from the families of former service users, to which the charity is indebted.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

The funding sources of the charity, in addition to non-recurring grant funding, are Cornwall Council through the Complex Needs Support and Drug and Alcohol Action Team, income from private and out-of-county residents and housing benefit from Cornwall Council. Fundraising continued through 2017-2018 with approaches to external funding bodies, charitable trusts and foundations for funds to support existing work and capital developments and both core and capital costs of the new Family Unit. The fundraising strategy will be maintained and developed through the coming year with a clear focus on our existing sources of support and a strong emphasis on building long-term relationships with funders and developing effective methods of communication with supporters and individual donors.

“Together – You Can Do It” Volunteering Programme

In January 2016, we received a grant from the Health and Social Care Volunteering Fund of £48,705 to fund all the associated costs of our new Volunteering Programme until March 2019.

New Young People’s Unit Team Funding

An award by The Rayne Foundation of £58,000 in June 2016 will pay for the salary of a Team Leader for the new Young People’s Unit until December 2018. The Henry Smith Charity awarded £83,900 in June 2017 to pay for the salary of a Key Worker for three years

Investment policy

The trustees have considered the most appropriate policy for investing funds and believe that the current arrangements, of investing in low risk deposit-based accounts, are satisfactory.

The charity has deposit accounts with Santander and Saffron Building Society which earn monthly interest. In addition, the charity holds the following savings accounts:

- A one year fixed rate business saving account is held with Aldemore.
- A 95 Day Notice Business Savings Account with Cambridge & Counties

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Risk assessment and Health & Safety

The major risks, to which the charity is exposed as identified by the trustees, are regularly reviewed and systems or procedures have been established to manage those risks.

In October 2013, the trustees and management team held a Strategy Day with the Cornwall and Isles of Scilly DAAT Commissioner in attendance. Part of this programme involved reviewing and assessing any major risks, considering what new opportunities may be available, and agreeing what strategic choices should be considered. The resulting business plan now forms the basis of all board meeting agendas to ensure each item is regularly reviewed and progress measured.

Health and safety is a standard item on the agenda for all board meetings and it is, therefore, very much ongoing. The organisation became an Accredited Contractor under the Contracts Health & Safety Assessment (CHAS) Scheme in December 2013, and was recommended for certification under OHSAS 18001 : 2007 (Health & Safety) in August 2014. All of these accreditations were reassessed and renewed by the awarding bodies in 2015. In February 2017 the OHSAS 18001 : 2007 was successfully audited and reaccredited; we made the decision not to renew the CHAS accreditation, as Cornwall Council have agreed that the OHSAS 18001 demands a higher standard of evidence and compliance, so CHAS is no longer required whilst we remain accredited by OHSAS.

Tony Woodhams remains the Health and Safety 'Champion' on the board. Operationally, the service manager, Jeremy Booker acts as the designated Health and Safety Officer, with the CEO, Kate Cook having overall responsibility, with both holding current qualifications in Level 3 Health & Safety by the Chartered Institute of Environmental Health. A full external review of the Health and Safety procedures was undertaken in March 2018, as well as an internal audit, and we remain compliant with OHSAS 18001.

There is a safety committee, chaired and run from within the workforce, which was revamped and restructured last year and is running well, with annual external reviews of our processes as part of an ongoing programme.

The organisation employs the services of Peninsula, who provide quarterly site assessments, a helpline for any specific queries, and access to the services of Business Safe Online, which is set up for health and safety systems, support and advice.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Plans for the future

The charity's strategy has, at its heart, its residents. Every one of them is an individual, with individual experiences, aspirations and needs. It is our job to understand these needs and, in line with our mission statement, to provide safe, high quality and accessible services which help our residents achieve their full potential.

We have an operational plan which sets out our targets. These cover three areas:

- **Continuous improvement.** We are a learning organisation. For example, we work constantly to maintain the best possible relationships with those who refer to us so that clients are well prepared and their needs fully understood. We want every resident to complete their programme and to stay well after they leave, and we are using new approaches including recovery capital and motivational interviewing to help them succeed. We have built in feedback loops for every resident. We need to understand what more we can do to help them thrive, and to know about emerging issues before a crisis arises. Analysing events afterwards is no substitute. We want our programmes to be rich and fulfilling, and we will work with partners to offer skills such as pottery, woodworking and work-related training, and to search out other opportunities to use our wonderful location to add to the therapeutic experience. We have launched a very successful volunteer programme which has enabled us to recruit peer mentors and more besides. We will build on this success into the future.
- **Develop our existing services.** With the current constraints on public expenditure, residential substance abuse services are focusing on clients with the most complex needs. We have developed our expertise so that we can now support residents with a dual diagnosis of substance abuse and mental health issues. We plan to develop our skills further. We are particularly concerned with helping people with problems relating to opiate abuse and have a programme and targets in place to support this aim. Our Young Person's unit was launched this year, with a bespoke programme written by one of the country's leading experts in the field, and is the only centre of its kind in the country. We will continue to grow and develop this service, working with both young people and the supporting services available to continue to improve and enhance the programme and its effectiveness.
- **Be a really well managed organisation.** We care about our staff and have plans to ensure their training is first-class. We want to protect our activities into the future, and we will do this by ensuring we are attractive to commissioners inside and outside Cornwall in terms of our performance (operationally and financially). We are also focused on the basic building blocks of good management including good governance, excellent financial management, maintaining the appropriate ISO and Health and Safety accreditations and always focused on meeting the aspirations and standards set by CQC. This was one of the focusses at the Strategy Planning Day in October 2017, and the Board are looking at strengthening the management of the organisation as it continues to expand, and are seeking to recruit new Board Members in the coming year with the strengths and skills identified.

Structure, governance and management

The charity was incorporated as a company limited by guarantee on 2 August 2001, its registration number being 04263352. It is governed by a Memorandum of Association and Articles of Association.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Charity registration

The company was registered by the Charity Commission as a charity and entered in the Central Register of Charities on 28 August 2001. The registered number is 1088236.

Operation

The company commenced on 1 March 2002.

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Harrold

Mr T Woodhams

Mr M Jones

Mrs MW Vyvyan

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018**

Mr MJ Nixon
Mrs RG Hunt

Appointment of trustees

Trustees are appointed in line with our policy 'HR 38 Trustee Recruitment Policy and Procedure'. When potential trustees are identified they are invited to the Farm to meet with the Director and learn more about the services provided. If they are interested they complete a Personal Information Form and the contents of that form are discussed at an ordinary meeting of trustees. If the Board agrees then the Company Secretary invites that person to become a trustee. The Company Secretary supplies a copy of the Job Description for Trustees, the Board's Prospectus, the Board's Mission and Values statement, the Twelve Steps recovery programme, the Charity Commission booklet entitled 'The Essential Trustees' and Companies House booklet entitled 'Directors and Secretaries Guide'. At that same meeting the Board agrees the year for retirement should that person accept office because trustees retire by thirds. If the interested person decides to take office then he/she is invited to attend the next Board meeting.

Induction and training of trustees

A new trustee will be offered a full induction into the work of the charity and of the board.

When the new trustee has attended two board meetings they will be invited to review their training and development needs. A plan will be agreed as necessary to ensure the appropriate training and development takes place.

Organisation

The board of trustees administer the charity. The board meets every two months and there is a Sub-Committee for Finance and General Purposes. A CEO is appointed by the Board to manage the day to day operations of the Charity. The CEO has delegated authority, within terms of delegation approved by the board, for operational matters. At the Annual General Meeting each year the board authorises the Chairman and the Vice-Chairman, in consultation with the Company Secretary and Company Treasurer, to act on matters of urgency between board meetings, with the Chairman of Finance and General Purposes Sub-Committee being included in the consultation when financial matters are involved, except that the entering into of contracts is reserved to the board. Management reports are prepared for the board on a monthly basis. These reports are monitored by the Finance and General Purposes Sub-Committee and then by the board.

The senior management team comprise of the CEO (Mrs VKV Cook) and Operations Manager (Mr J Booker).

Arrangement for setting key management personnel remuneration

The trustees have regard for pay comparability for all staff and this comes very much into focus when recruiting new staff members, with information taken from recruitment website and other channels. Trustees have chosen not to give managers a different increase for the rest of the team because they consider at a time of very small pay rises and within a small team, this could have a divisive effect.

Auditor

Robinson Reed Layton LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)*****FOR THE YEAR ENDED 31 MARCH 2018***

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Mrs RG Hunt

Trustee

Dated: 3 October 2018

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**STATEMENT OF TRUSTEES' RESPONSIBILITIES*****FOR THE YEAR ENDED 31 MARCH 2018***

The trustees, who are also the directors of Bosence Farm Community Limited (Limited by Guarantee) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Bosence Farm Community Limited (Limited by Guarantee) (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

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 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the 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 charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**INDEPENDENT AUDITOR'S REPORT (CONTINUED)****TO THE MEMBERS OF BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

Use of our report

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 auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Williams (Senior Statutory Auditor)
for and on behalf of Robinson Reed Layton LLP

5 October 2018

Chartered Accountants
Statutory Auditor

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	3	59,828	47,084	106,912	145,036
Charitable activities	4	1,280,305	-	1,280,305	1,125,500
Other trading activities	5	152	-	152	-
Investments	6	1,786	-	1,786	3,790
Total income		1,342,071	47,084	1,389,155	1,274,326
<u>Expenditure on:</u>					
Charitable activities	7	1,350,202	103,585	1,453,787	1,235,874
Other	12	671	-	671	8,562
Total resources expended		1,350,873	103,585	1,454,458	1,244,436
Net (outgoing)/incoming resources before transfers		(8,802)	(56,501)	(65,303)	29,890
Gross transfers between funds		12,344	(12,344)	-	-
Net income/(expenditure) for the year/ Net movement in funds		3,542	(68,845)	(65,303)	29,890
Fund balances at 1 April 2017		1,481,341	1,982,301	3,463,642	3,433,752
Fund balances at 31 March 2018		1,484,883	1,913,456	3,398,339	3,463,642

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	13		2,445,264		2,521,218
Current assets					
Debtors	15	226,768		171,032	
Cash at bank and in hand		803,729		856,380	
			1,030,497		1,027,412
Creditors: amounts falling due within one year	16	(77,422)		(84,988)	
Net current assets			953,075		942,424
Total assets less current liabilities			3,398,339		3,463,642
Income funds					
Restricted funds	19		1,913,456		1,982,301
<u>Unrestricted funds</u>					
Designated funds	20	1,205,867		682,136	
General unrestricted funds		279,016		799,205	
			1,484,883		1,481,341
			3,398,339		3,463,642

The financial statements were approved by the Trustees on 3 October 2018

Mrs RG Hunt
Trustee

Company Registration No. 04263352

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(43,927)		302,811
Investing activities					
Purchase of tangible fixed assets		(10,823)		(588,421)	
Proceeds on disposal of tangible fixed assets		313		624	
Interest received		1,786		3,790	
Net cash used in investing activities			(8,724)		(584,007)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(52,651)		(281,196)
Cash and cash equivalents at beginning of year			856,380		1,137,576
Cash and cash equivalents at end of year			<u>803,729</u>		<u>856,380</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Bosence Farm Community Limited (Limited by Guarantee) is a private company limited by guarantee incorporated in England and Wales. The registered office is Bosence Farm, 69 Bosence Road, Townshend, HAYLE, Cornwall, TR27 6AN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is recognised on a receivable basis.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

In accordance with the Charities SORP (FRS 102), the time provided by general volunteers is not recognised. More information about volunteers' contributions is included in the trustees' report.

Grants, including government grants, are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor imposed conditions which must be met before the charity has unconditional entitlement.

1.5 Resources expended

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

1.6 Tangible fixed assets

Tangible fixed assets costing £1,000 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% per annum on cost
Motor vehicles	20% per annum on cost
Fixtures and fittings	20% per annum on cost
Computers	33.33% per annum on cost

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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 in the charity's 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

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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The company is a registered charity and is therefore generally exempt from income tax and capital gains tax on its charitable activities.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies**(Continued)****1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	19,320	-	19,320	28,378
Legacies receivable	40,508	-	40,508	-
Government and other grants	-	47,084	47,084	116,658
	<u>59,828</u>	<u>47,084</u>	<u>106,912</u>	<u>145,036</u>
For the year ended 31 March 2017	<u>17,578</u>	<u>127,458</u>		<u>145,036</u>
Donations and gifts				
Appeals and donations	19,320	-	19,320	23,378
Girdlers Society donations	-	-	-	5,000
	<u>19,320</u>	<u>-</u>	<u>19,320</u>	<u>28,378</u>
Grants receivable for core activities				
Government grants	-	15,834	15,834	13,288
Grants - other agencies	-	31,250	31,250	103,370
	<u>-</u>	<u>47,084</u>	<u>47,084</u>	<u>116,658</u>

Department of Health - a grant has been received for £15,834 (2017: £13,288) as part of the Voluntary Sector Investment Programme: Health and Social Care Volunteering Fund. The grant is for the 'Volunteer Empowerment and Supporting Scheme - 'Together - You Can Do It'.

The total amount of government grants recognised in the financial statements was £15,834 (2017: £13,288).

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Housing benefits and rents	53,873	55,246
Ineligible charges (amenities income)	28,935	24,566
Complex Needs Support Service	37,208	37,154
Complex Needs Support Service - resettlement	10,102	10,156
Young People/Family Unit Service fees	88,406	-
Detox Centre fees	748,549	781,078
Twinrix income	-	600
Rehab Centre Service fees	313,232	216,700
	<u>1,280,305</u>	<u>1,125,500</u>
Analysis by fund		
Unrestricted funds	<u>1,280,305</u>	
For the year ended 31 March 2017		
Unrestricted funds		1,078,190
Restricted funds		47,310
		<u>1,125,500</u>

5 Other trading activities

	2018 £	2017 £
Fundraising events	152	-
	<u>152</u>	<u>-</u>

6 Investments

	2018 £	2017 £
Interest receivable	1,786	3,790
	<u>1,786</u>	<u>3,790</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Charitable activities

	Unrestricted Fund £	Restricted Fund £	2018 £	2017 £
Staff costs	807,754	46,519	854,273	649,143
Depreciation and impairment	33,880	51,913	85,793	61,886
Consumables	53,316	-	53,316	102,934
Other direct costs	56,500	2,947	59,447	52,146
Establishment costs	34,947	-	34,947	30,049
Repairs and maintenance	14,551	-	14,551	22,246
Office expenses	301	-	301	484
Motor, travel & subsistence expenses	5,304	2,206	7,510	5,780
Printing, posting and stationary	-	-	-	669
Advertising and promotion	-	-	-	606
	<u>1,006,553</u>	<u>103,585</u>	<u>1,110,138</u>	<u>925,943</u>
Share of support costs (see note 8)	299,114	-	299,114	268,147
Share of governance costs (see note 8)	44,535	-	44,535	41,784
	<u>1,350,202</u>	<u>103,585</u>	<u>1,453,787</u>	<u>1,235,874</u>
For the year ended 31 March 2017				
Unrestricted funds				1,120,381
Restricted funds				115,493
				<u>1,235,874</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Support costs

	Support costs	Governance costs	2018	2017
	£	£	£	£
Staff costs	195,243	-	195,243	191,436
Establishment costs	40,491	-	40,491	16,259
Office expenses	15,576	-	15,576	10,166
Printing, postage and stationery	8,489	-	8,489	8,991
Subscriptions and donations	1,923	-	1,923	4,472
Sundry and other costs	3,324	-	3,324	2,823
Motor, travel and subsistence expenses	9,995	-	9,995	8,621
Advertising and promotion	8,203	-	8,203	14,665
Legal and professional costs	15,397	-	15,397	10,305
Bank charges	473	-	473	409
Audit fees	-	4,096	4,096	4,440
Accountancy	-	28,570	28,570	22,814
Legal and professional	-	-	-	4,535
Staff costs	-	11,869	11,869	9,883
Cost of trustees meetings	-	-	-	112
	<u>299,114</u>	<u>44,535</u>	<u>343,649</u>	<u>309,931</u>
Analysed between				
Charitable activities	<u>299,114</u>	<u>44,535</u>	<u>343,649</u>	<u>309,931</u>

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2018	2017
	£	£
Audit of the charity's annual accounts	3,000	4,440
Non-audit services		
All other non-audit services	<u>1,800</u>	<u>22,814</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

10 Trustees

During the year no (2017: one) trustee was reimbursed for sundry travel and subsistence expenses totalling £Nil (2017: £112). At the year end there was £Nil owing to the trustee (2017: £112).

None of the trustees (or any persons connected with them) received any remuneration from the charity during the year.

No trustees (or any persons connected with them) received any other benefits from the charity during the year.

11 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Charitable activities	46	38
Central services	7	8
Governance	1	1
	54	47
	54	47

Employment costs

	2018 £	2017 £
Wages and salaries	941,528	732,029
Social security costs	71,018	50,769
Other pension costs	6,015	4,471
	1,018,561	787,269
	1,018,561	787,269

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	2018 £	2017 £
Net loss on disposal of tangible fixed assets	671	8,562
	671	8,562

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Tangible fixed assets

	Freehold land and buildings	Motor vehicles	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 April 2017	2,710,086	24,785	220,012	33,322	2,988,205
Additions	-	-	6,932	3,891	10,823
Disposals	(313)	-	(5,791)	(3,020)	(9,124)
At 31 March 2018	2,709,773	24,785	221,153	34,193	2,989,904
Depreciation and impairment					
At 1 April 2017	299,883	13,407	133,567	20,130	466,987
Depreciation charged in the year	39,204	3,098	34,459	9,032	85,793
Eliminated in respect of disposals	-	-	(5,120)	(3,020)	(8,140)
At 31 March 2018	339,087	16,505	162,906	26,142	544,640
Carrying amount					
At 31 March 2018	2,370,686	8,280	58,247	8,051	2,445,264
At 31 March 2017	2,410,203	11,378	86,445	13,192	2,521,218

The gross book value of freehold land and buildings includes £1,959,773 (2017: £2,660,086) of depreciable assets.

In the opinion of the trustees the market value of the land is in excess of its carrying value.

14 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	215,745	163,604
Carrying amount of financial liabilities		
Measured at amortised cost	36,224	63,168

15 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,553	3,704
Other debtors	2,111	12,939
Prepayments and accrued income	223,104	154,389
	226,768	171,032

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

16 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Other taxation and social security		24,744	17,903
Deferred income	17	16,454	3,917
Trade creditors		16,985	30,875
Other creditors		2,233	1,110
Accruals		17,006	31,183
		<u>77,422</u>	<u>84,988</u>

17 Deferred income

	2018 £	2017 £
Arising from fees received in advance	<u>16,454</u>	<u>3,917</u>

During the year, £3,917 (2017: £12,369) was released to income from previous periods and £16,454 (2017: £3,917) of incoming resources was deferred.

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,015 (2017 - £4,471). Pension liabilities are allocated to unrestricted and restricted funds on the same basis as other employee-related costs unless the terms of a restriction prohibit the allocation of such costs to a restricted fund.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2018 £
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	
Quiet Room (Sanctuary) Fund	21,851	-	(368)	-	21,483
PCT Detox Centre Development Project Fund	1,391,110	-	(34,159)	-	1,356,951
PDC Detox Development Project Fund	18,057	-	(4,387)	-	13,670
Sustainable Building Grant Fund	1,575	-	(1,575)	-	-
Residents' Benevolent Fund	2,069	-	-	-	2,069
Girdlers Artist Materials Fund	3,384	-	(102)	-	3,282
Duchy Health Charity Fund	7,928	-	-	(7,928)	-
Public Health England Grant	435,810	-	(6,340)	-	429,470
Health & Social Care Volunteering Fund	4,416	15,834	(15,834)	(4,416)	-
Cornwall Community Foundation	1,993	-	(20)	-	1,973
The Clothworkers Foundation	14,456	-	(2,846)	-	11,610
The Trusthouse Charitable Foundation	42,556	-	(618)	-	41,938
West Cornwall Youth Trust	2,000	-	(1,078)	-	922
The Tanner Trust	2,448	-	(490)	-	1,958
The Rayne Foundation	29,000	-	(29,000)	-	-
Vicountess Boyd Trust	-	2,000	(133)	-	1,867
Ernest Cook Trust	-	12,000	-	-	12,000
Duke of Cornwall Benevolent Fund	-	2,000	-	-	2,000
Awards for All - Food Works Project	-	10,000	-	-	10,000
Funds less than £1,000	3,648	5,250	(6,635)	-	2,263
	<u>1,982,301</u>	<u>47,084</u>	<u>(103,585)</u>	<u>(12,344)</u>	<u>1,913,456</u>

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018**

19 Restricted funds**(Continued)**

Restricted funds represent ongoing projects and the trustees consider the balances to be sufficient.

Purposes of restricted funds are as follows:

The Quiet Room Fund represents a building at Bosence used as a quiet room for meditation and contemplation.

The PCT Detox Centre Development Project Fund represents the capital development costs for a Detox Centre. Penwith District Council and the Sustainable Building grant also provided capital funds for this project.

The Public Health England grant is a capital grant received to help fund the building of a new family unit.

All other grants were given for specific activities and projects.

Sufficient resources are held to enable all funds to be applied in accordance with any restrictions.

Transfers from restricted funds reflect expenditure that should have been allocated against restricted funds in prior years. In the case of the Health & Social Care Volunteering Fund, there was £13,288 of expenditure in the previous year that should have been allocated against this fund, however, only £8,872 was charged in error.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 March 2018 £
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	
Bosence Conservatory Reserve	24,326	-	-	(9,326)	15,000
Vehicle Reserve	15,210	-	-	4,790	20,000
Bosence Farm Reserve	435,600	-	(7,233)	-	428,367
Family Unit	150,000	-	(75,000)	-	75,000
Horticultural Project Reserve	30,000	-	-	(10,000)	20,000
Bosence Staff Offices Upgrade Reserve	15,000	-	(2,625)	(1,875)	10,500
Counselling Pods Reserve	12,000	-	-	-	12,000
Subsidised Beds Reserve	-	20,000	-	-	20,000
Operating Costs Reserve	-	-	-	605,000	605,000
	<u>682,136</u>	<u>20,000</u>	<u>(84,858)</u>	<u>588,589</u>	<u>1,205,867</u>

The purpose of the designated reserves, as set by the board of directors, is as follows:

The reserve for the conservatory is a provision for future work to be done at Bosence.

The vehicle reserve is for the replacement of the vehicles used by the charity.

The Bosence Farm reserve is to provide accommodation, and is wholly represented by fixed assets.

The Family Unit fund was created to accrue for funds to be spent on a new family unit and £150,000 was designated to cover 6 months estimated running costs of the Family unit.

The Horticultural Project reserve was created to accrue for funds to be spent on a new horticultural project.

The Bosence Staff Offices Upgrade reserve was created to accrue funds used towards installation of a new central heating system in 2017 and is wholly represented by fixed assets.

The Counselling Pods reserve was created to accrue for funds to be spent on new counselling pods.

The Subsidised Beds reserve was created to allocate part of a legacy received to subsidise treatment of an individual.

The Operating Costs reserve was created to designate funds that represent six months of operating costs. The £605,000 represents six months of operating costs of £680,000 less the specific Family Unit designated fund of £75,000 that is also considered as an operating cost reserve.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

21 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible assets	567,181	1,878,083	2,445,264
Current assets/(liabilities)	917,702	35,373	953,075
	<u>1,484,883</u>	<u>1,913,456</u>	<u>3,398,339</u>

22 Free reserves reconciliation

The free reserves (unrestricted funds that are not designated or represented by fixed assets) belonging to the charity as at 31 March 2018 are calculated as follows:

	£
Unrestricted funds	1,484,883
Less: Tangible assets (as per note 21)	(567,181)
Less: Designated funds not represented by fixed assets	(767,000)
Free reserves	<u>150,702</u>

23 Financial commitments, guarantees and contingent liabilities

The property at Bosence has a fixed charge relating to monies advanced by the Secretary of State for Health for its purchase. Should the charity cease to exist for the purpose for which it was set up then an amount equal to that portion of the open market value of the property as at the date of valuation as is attributable to the expenditure of the original grant, or £100,000 whichever is the greater sum, will be repayable.

NHS England have a legal charge over the property at Bosence for the repayment sum and an option to purchase land at Bosence. The option is exercisable within a period of 21 years from 31 March 2009 less one day. If any terms of the agreement between the charity and NHS England relating to the detoxification facility at Bosence Farm are breached NHS England can exercise the option agreement and require payment of the repayment sum. Should the charity sell Bosence then written agreement from NHS England is required and NHS England would require to be paid the repayment sum. The repayment sum being that part of the open market value of the land as at the date of valuation as is attributable to the expenditure of the original capital grant after deduction of any part of the capital grant repaid or the value of the capital grant £1,694,000, whichever is the greater sum.

BOSENCE FARM COMMUNITY LIMITED (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	6,135	6,603
Between two and five years	7,493	9,732
In over five years	660	468
	<u>14,288</u>	<u>16,803</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	<u>112,517</u>	<u>107,803</u>

There were no related party transactions in the year.

26 Cash generated from operations

	2018 £	2017 £
(Deficit)/surplus for the year	(65,303)	29,890
Adjustments for:		
Investment income recognised in statement of financial activities	(1,786)	(3,790)
Loss on disposal of tangible fixed assets	671	8,562
Depreciation and impairment of tangible fixed assets	85,793	61,887
Movements in working capital:		
(Increase)/decrease in debtors	(55,736)	207,926
(Decrease)/increase in creditors	(20,103)	6,788
Increase/(decrease) in deferred income	12,537	(8,452)
Cash (absorbed by)/generated from operations	<u>(43,927)</u>	<u>302,811</u>