

**Ince Blundell Hall Trust and Nursing Home**

Owned by the Congregation of the  
Augustinian Canonesses  
of the Mercy of Jesus

Trustees' Report and Audited  
Financial Statements  
For the year ended 31 March 2018

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

## **Reports and financial statements**

**For the year ended 31 March 2018**

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

## **Report of the trustees for the year ended 31 March 2018**

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### **Introduction**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

### **Bankers**

The Royal Bank of Scotland  
Liverpool Group of Branches  
1 Dale Street  
Liverpool L2 2PP

### **Investment Advisors**

Deutsche Bank  
Royal Liver Building  
Pier Head  
Liverpool L3 1NY

### **Auditors**

Champion Accountants LLP  
Registered Auditors  
4 Nile Close  
Nelson Court Business Centre  
Preston  
PR2 2XU

### **Insurance Brokers**

Willis Limited  
Stuart House  
Caxton Road  
Preston  
PR2 9RW

### **Principal address**

Ince Blundell Hall  
Ince Blundell  
Liverpool  
L38 6JL

### **Organisation**

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



# INCE BLUNDELL HALL TRUST AND NURSING HOME

## Report of the trustees for the year ended 31 March 2018 (*continued*)

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The original concept was developed by the Augustinian Community and was subsequently extended so that their services, as a Nursing Order, would also be available to non-clergy. The Governing Document of the charity is the principal Trust Deed dated 24 May 1967. Further supplementary deeds have been registered dated 1 September 1989, 31 March 1993 and 30 September 2011. The charity is registered at the Charity Commission under the number 251782.

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

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

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

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

The day-to-day management of Ince Blundell Hall Nursing Home and Trust is fulfilled through elected Community Council. The Trustees for the current year are:

Trustee	-	Sister Gemma Maria Hughes
Trustee	-	Sister Marie Laura Hughes
Trustee	-	Mr James Dillon
Trustee	-	Mrs Donna Marie Edgley
Trustee	-	Mr George Albert Edgley

**The Principal Activities and Aims of the Apostolate fall broadly into three sections.**

### **1. The Nursing Home**

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

It was decided during this year that a refurbishment of one of the floors in the Nursing Home would be undertaken. This meant that the number of patients fell due to a substantial decrease in available beds and this is reflected in the financial results. The Sisters continued to work alongside lay staff (in both professional and ancillary roles), to ensure that everything functions as it should. The emphasis is on maintaining the highest standards of Nursing Care for all our patients.

It is still planned to develop two Listed Buildings in the grounds. Several studies and ideas have been put forward but their listed status means that negotiations have to take place with the Local Authority and Heritage Bodies also. These are ongoing at present.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2018 (*continued*)

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## 2. The Wider Community

Ince Blundell Hall is the place where, as a religious Community and individually, the Sisters live out their charism, touching the lives of many people through diverse situations. Examples of these include:

- Respite care for carers
- Centre for alternative therapies
- Days for people with Learning Disabilities
- Hosting Lectures for all Health Professionals
- Facilities for inter-denominational retreats
- Quiet days for writers
- Inter-denominational Seminars
- Schoolchildren
- Scholars of Classical Sculpture
- Botanical Students
- Operatic Societies
- English Heritage Open Days... and many more

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

## 3. Heritage Assets

An integral part of our aims is to ensure that the heritage assets at Ince Blundell Hall are cared for and preserved for future generations. Individuals and groups interested in heritage and history visit the Hall and grounds on a regular basis. Again, demand from various groups (including U2A, Arts Groups and Classical Scholars) is high. The Trustees would like to provide a 'Heritage Gallery' which would tell the story of this famous place and celebrate the achievements of Henry Blundell. This could also incorporate a conference / lecture facility. These ideas are currently being explored with English Heritage and various statutory and non-statutory bodies.

Because of the scale of development planned, all of these activities are under constant review by the Trustees.

## Public Benefits

The public benefits that the Charity provides include;

- Caring for the sick and terminally ill
- Contributing to the mental and spiritual health of everybody with whom they are in contact
- Caring for elderly members of the order
- Providing sacred places, churches and worship services
- Providing retreats and quiet days for religious and lay people
- Providing cultural benefits – access to Listed Buildings and grounds
- Preserving and maintaining Listed Buildings and Heritage items



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

## **Report of the trustees for the year ended 31 March 2018 (*continued*)**

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### **Review of the activities**

During the year, the nursing home has maintained its high standards and has been as fully occupied as is practically possible, in order to continue excellent care for all residents.

During this accounting period the CEO chose to resign and subsequently chose to pursue litigation, which was finally disposed of in court to the satisfaction of the trustees. The trustees had a plan, subject to appropriate PayPal consent, to transfer assets to a newly formed charitable incorporated organisation established for this purpose. This will enable lay people to join the Community in the management of the charity and its assets and is in accordance with the Augustinian Mother General's wishes. There has been delay in bringing the project forward and unfortunately, as part of this process the charity was wrongly removed from the Central Register of Charities. This has now been corrected and, although matters are proceeding, we are currently awaiting further developments with the Archbishop's office before we can take things to the next level. Once current challenges are overcome, we are hoping that the assets will be moved to the CIO and that the charity can then move from strength to strength. The trustees, with the advice of experts, have begun a planning process in respect of the potential future of Ince Blundell Hall and its immediate environs, there will be move news to share in the next annual report.

### **Financial report for the year**

The financial results of the nursing home and trust for the year to 31 March 2018 are set out in the financial report. A deficit of £137,899 (2017: £183,568) was sustained from the activities of the charity but when the losses on investments of £39,279 (2017: Gain £268,859) are added this means a decrease in funds of £177,178 (2017: increase £359,291) as at 31<sup>st</sup> March.

On the Balance Sheet, a property reserve shows the unrealised gain relating to land and buildings at Ince Blundell Hall and it is from these land and buildings that the charity activities take place. As a Grade II listed building, the property is very expensive to maintain but the Trustees consider that this is a functional working property of the charity. It should not be considered as an asset that would be easily saleable and this, together with its existing use, is the reason for a separate property reserve as it most certainly is not a liquid asset. The general reserves have accumulated over a lengthy period of time. Whilst these appear to be reasonably healthy, it must be noted that there is no specific pension provision for members of the Order and as the members grow older, retire and need nursing care themselves in old age, these reserves will be required to maintain the Order's own sisters.

The trustees maintain an investment portfolio that is managed on the charity's behalf by Tilney BestInvest. The investment objectives are to maximise long term total returns with a commensurate degree of risk. The portfolios comprise a mixture of gilts and equities and the results for the year show losses of £39,279 as noted above. The trustees are in regular contact with the investment advisers and meet at least annually if not more often to examine the policy and the performance of the funds. Dividend income of £68,783 was generated from the portfolios also and this sum was considered very acceptable by the trustees.

### **Reserves Policy and Future Plans**

The reasons for the need for reserves is as explained above, in particular the requirement for the care of the Sisters in the present and future. The free reserves on the Balance Sheet demonstrate a free reserves figure of £3,411,663 and this represents approximately 3 years of expenditure at current levels. As stated above, there are plans in the development stages for the renovation of listed properties on the grounds of Ince Blundell and reserves will be utilised for these purposes. Such building work will require major investment and different sources of income for these projects are being examined.



## INCE BLUNDELL HALL TRUST AND NURSING HOME

Report of the trustees for the year ended 31 March 2018 (*continued*)

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### Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

### Trustees' Responsibilities Statement

The trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity's financial activities during the year and of its financial position at the year end. The trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity. They also have a responsibility for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

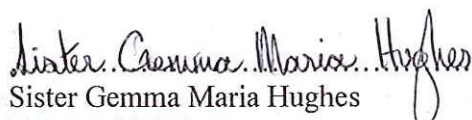
### The Trustees for the Charity in England

The following persons were trustees of the charity, as defined by the provisions of the Charities Act 2011 and were in office at 31 March 2018 and served throughout the year.

Sister Marie Laura Hughes  
Sister Gemma Maria Hughes  
Mr James Dillon  
Mrs Donna Marie Edgley  
Mr George Albert Edgley

The trustees are appointed by the Superior of the Society, in accordance with the provisions of the governing document of the charity.

By order of the Council

  
Sister Gemma Maria Hughes  
Reverend Mother

Date of approval: 30/1/19

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

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

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### **Opinion**

We have audited the financial statements of Ince Blundell Hall Trust and Nursing Home (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 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 charity'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 properly prepared in accordance with requirement of the Charities Act 2011.

### **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 trustees' 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.



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

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

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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 of our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatement, 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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement 5 the trustees are responsible for the preparation of financial statements which 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 charity 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(3) 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 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.

## INCE BLUNDELL HALL TRUST AND NURSING HOME

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

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#### Use of our report

This report is made solely to the charity's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees body, for our audit work, for this report, or for the opinions we have formed.

D L Thorn

.....  
Deborah Thorn FCA (Senior Statutory Auditor)

Date: ..... 30 January 2019 .....

For and on behalf of  
Champion Accountants LLP  
Chartered Accountants & Statutory Auditors  
4 Nile Close  
Chain Caul Way  
Riversway  
Preston PR2 2XU

Champion Accountants LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# INCE BLUNDELL HALL TRUST AND NURSING HOME

## Statement of financial activities for the year ended 31 March 2018

		Unrestricted funds	
	Note	2018 £	2017 £
<b>Income and endowments from:</b>			
Donations and legacies		146,160	19,400
Investments	2	85,019	84,363
Charitable activities	3	681,367	632,343
		<hr/>	<hr/>
<b>Total income and endowments</b>		912,546	736,106
		<hr/>	<hr/>
<b>Expenditure on:</b>			
Investment management costs	4	11,499	16,900
Charitable activities	5	947,435	859,788
Other	5	91,511	42,986
		<hr/>	<hr/>
<b>Total expenditure</b>		1,050,445	919,674
		<hr/>	<hr/>
<b>Net expenditure before net gains / (losses) on investments</b>		(137,899)	(183,568)
Net gains / (losses) on investments	7	(39,279)	268,859
		<hr/>	<hr/>
<b>Net income / (expenditure)</b>		(177,178)	85,291
<b>Other recognised gains:</b>			
Gains on revaluation of fixed assets	6	-	274,000
		<hr/>	<hr/>
<b>Net movement in funds</b>		(177,178)	359,291
<b>Reconciliation of funds:</b>			
Balances brought forward at 1 April 2017		4,972,017	4,612,726
		<hr/>	<hr/>
Balances carried forward at 31 March 2018		4,794,839	4,972,017
		<hr/>	<hr/>

All funds are unrestricted.

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 12 to 19 form part of these financial statements.

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Balance sheet as at 31 March 2018

	Note	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		1,195,832		1,121,695
Investments	7		2,467,448		2,863,337
			<u>3,663,280</u>		<u>3,985,032</u>
<b>Current assets</b>					
Debtors	8	641,292		53,921	
Cash at bank and in hand		653,913		991,620	
		<u>1,295,205</u>		<u>1,045,541</u>	
<b>Creditors: amounts falling due within one year</b>	9	(163,646)		(58,556)	
<b>Net current assets</b>			<u>1,131,559</u>		<u>986,985</u>
<b>Net assets</b>			<u>4,794,839</u>		<u>4,972,017</u>
<b>Charity funds</b>					
<b>Unrestricted funds:</b>					
General fund			3,411,663		3,469,443
Investment revaluation fund			441,512		540,910
Property revaluation fund			941,664		961,664
<b>Total charity funds</b>	10		<u>4,794,839</u>		<u>4,972,017</u>

Approved by the Trustees on ...30/1/19..... and signed on their behalf by:

*Sister Gemma Maria Hughes*  
 Sister Gemma Maria Hughes  
 Reverend Mother

The notes on pages 12 to 19 form part of these financial statements.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

## Statement of cash flows for the year ended 31 March 2018

	Note	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(638,227)	(210,051)
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		69,166	67,234
Purchase of tangible fixed assets		(125,256)	(86,083)
Proceeds from the disposal of investments		841,236	773,384
Purchase of investments		(526,025)	(906,596)
		259,121	(152,061)
<b>Change in cash and cash equivalents in the year</b>		<b>(379,106)</b>	<b>(362,112)</b>
<b>Cash and cash equivalents at 1 April 2017</b>	B	<b>1,105,938</b>	<b>1,468,050</b>
<b>Cash and cash equivalents at 31 March 2018</b>	B	<b>726,832</b>	<b>1,105,938</b>

### Notes to the statement of cash flows for the year to 31 March 2018

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

	2018 £	2017 £
<b>Net movement in funds</b>	<b>(177,178)</b>	<b>359,291</b>
<b>Adjustments for:</b>		
Depreciation charge	51,120	34,852
Gains / (losses) on investments	39,279	(268,859)
Gains on revaluation of fixed assets	-	(274,000)
Dividends and interest from investments	(69,166)	(67,234)
(Increase) / decrease in debtors	(587,371)	(3,871)
Increase / (decrease) in creditors	105,090	9,770
<b>Net cash used in operating activities</b>	<b>(638,227)</b>	<b>(210,051)</b>

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

	2018 £	2017 £
Cash at bank and in hand	653,913	991,620
Cash held by investment managers	72,919	114,318
<b>Total cash and cash equivalents</b>	<b>726,832</b>	<b>1,105,938</b>

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018

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## 1 Accounting policies

### *Basis of Accounting*

These accounts have been prepared for the year to 31 March 2018 with comparative information provided in respect of the year to 31 March 2017.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

### *Reconciliation with previous Generally Accepted Accounting Practice*

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

### *Assessment of going concern*

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

### *Incoming Recognition*

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, nursing home fees and investment income.

Donations, Legacies and Other Voluntary Income are credited to the Statement of Financial Activities as they are received due to the uncertainty of the timing of the receipt.

Where funds are received for a specific purpose as defined by the donee, these are credited to a Restricted Fund, and are matched against expenditure incurred with the purpose as specified.

No permanent endowments have been received in the period.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 (*Continued*)

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## 1 Accounting policies (*Continued*)

Nursing home fees are accounted for in the period in which the service is provided.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### *Expenditure Recognition*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Allocation of expenditure to direct charitable costs and investment management costs have been made on a basis consistent with the nature of the expenditure giving consideration to the application, directly or otherwise, to external charitable causes.

### *Investment Assets*

The Charity has assets held in an investment portfolio. The portfolio's use is not allotted to specific expenditure and is not restrictive. An investment revaluation reserve is included within unrestricted funds.

All gains and losses on investment assets are reported in the Statement of Financial Activities. Investments are included at closing mid-market values at the balance sheet date. Investment income is accounted for in the period in which the charity is entitled to receipt.

### *Tangible Fixed Assets*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation less estimated residual value, of each asset over its expected useful life, as follows:-

Motor vehicles	25% straight line
Sundry equipment	20% straight line
Property alterations	10% straight line
Buildings	2% straight line

### *Heritage Assets*

The Charity holds a collection of Heritage assets which do not play any active part towards the Charities primary objective.

The Trustees consider that obtaining valuations for the vast majority of items held in its collection of statues and artefacts, would involve disproportionate cost. This is because of the diverse nature of the assets held and the lack of comparable market values. As a result no value is reported for these assets in the Balance Sheet.



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

*Debtors*

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

*Creditors and provisions*

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

*Financial instruments*

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised on the balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 (Continued)

## *Judgements and key estimates*

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## *Value Added Tax*

Value Added Tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

## *Employee benefits*

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

<b>2</b>	<b>Investment income</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Income from quoted investments	68,783	65,717
	Interest receivable	383	1,517
	Rents receivable	15,853	17,129
		—	—
		85,019	84,363
		—	—
<b>3</b>	<b>Charitable activities</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Nursing home fees	629,930	597,733
	Other charitable activities	51,437	34,610
		—	—
		681,367	632,343
		—	—
<b>4</b>	<b>Investment management costs</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Investment managers' fees	11,499	16,900
		—	—

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 (Continued)

## 5 Total expenditure

	Cost of charitable activities 2018 £	Other resources 2018 £	Cost of charitable activities 2017 £	Other resources 2017 £
Staff costs	665,752	-	581,698	-
Property costs	114,196	-	126,133	-
Care home expenses	110,147	-	93,295	-
Donations made	10,446	-	7,800	-
Insurance	27,304	-	26,267	-
Community expenses	19,590	-	24,595	-
Legal and professional	-	78,431	-	28,226
Audit and accountancy	-	13,080	-	14,760
	<hr/> 947,435	<hr/> 91,511	<hr/> 859,788	<hr/> 42,986

Fees payable to auditor include the following:

	2018 £	2017 £
Audit fees	4,080	4,080
Other services	9,000	10,680
	<hr/> 13,080	<hr/> 14,760

Staff costs include the following:

	2018 £	2017 £
Wages and salaries	609,448	506,751
Social security costs	39,852	27,772
Pensions	2,760	1,421
Training	1,787	1,757
Agency Staff	11,905	43,997
	<hr/> 665,752	<hr/> 581,698

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

None of the trustees received any emoluments during the year (2017: £Nil).

None of the trustees received reimbursement for any expenses in the year (2017: £Nil).

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



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 *(Continued)*

## 5 Total expenditure *(Continued)*

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

	2018 No	2017 No
Provision of care services	42	38

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees.

The total remuneration of the key management personnel for the year was £nil (2017: £nil).

## 6 Tangible fixed assets

	Freehold Land & Buildings £	Property Alterations £	Motor Vehicles £	Sundry Equipment £	Total £
<i>Cost or valuation</i>					
At 1 April 2017	1,000,000	245,124	22,575	101,429	1,369,128
Additions	-	125,257	-	-	125,257
Revaluation	-	-	-	-	-
At 31 March 2018	1,000,000	370,381	22,575	101,429	1,494,385
Cost	-	370,381	22,575	101,429	494,385
Valuation	1,000,000	-	-	-	1,000,000
<i>Depreciation</i>					
At 1 April 2017	20,000	111,629	21,371	94,433	247,433
Charge for the year	20,000	27,582	1,204	2,334	51,120
Revaluation	-	-	-	-	-
At 31 March 2018	40,000	139,211	22,575	96,767	298,553
<i>Net book value</i>					
At 31 March 2018	960,000	231,170	-	4,662	1,195,832
At 31 March 2017	980,000	133,495	1,204	6,996	1,121,695

Freehold land and buildings were valued, by Garside Waddingham, Chartered Surveyors, on 29 January 2015, on an asset valuation basis, in accordance with the Royal Institution of Chartered Surveyors Statement of Asset Valuation Practice.

# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 (Continued)

7	Investments	2018 £	2017 £
	<i>Quoted investments:</i>		
	Market value at 1 April 2017 (excluding cash balances)	2,749,019	2,346,948
	Additions	526,025	906,596
	Disposals	(841,236)	(773,384)
	<i>Other recognised gains:</i>		
	Unrealised gains / (losses) on valuation	(4,626)	35,528
	Realised gains / (losses) on valuation	(34,653)	233,331
		<u>2,394,529</u>	<u>2,749,019</u>
	Cash balances at 31 March 2018	72,919	114,318
		<u>2,467,448</u>	<u>2,863,337</u>

The historic cost of investments is as follows: -

	2018 £	2017 £
As at 1 April 2017	2,322,427	2,293,733
	<u>          </u>	<u>          </u>
As at 31 March 2018	2,025,936	2,322,427
	<u>          </u>	<u>          </u>

8	Debtors	2018 £	2017 £
	Trade debtors	18,441	3,759
	Other debtors	601,904	17,773
	Prepayments	4,439	10,398
	Accrued income	16,508	21,991
		<u>          </u>	<u>          </u>
		641,292	53,921
		<u>          </u>	<u>          </u>



# INCE BLUNDELL HALL TRUST AND NURSING HOME

Notes forming part of the financial statements for the year ended 31 March 2018 (Continued)

9	Creditors: Amounts falling due within one year	2018 £	2017 £
	Trade creditors	128,040	30,833
	Other taxes and social security costs	12,486	9,065
	Accruals and deferred income	22,341	17,209
	Other Creditors	779	1,449
		<hr/>	<hr/>
		163,646	58,556
		<hr/>	<hr/>

## 10 Analysis of assets between funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
General fund	254,168	2,025,936	1,131,559	3,411,663
Investment revaluation fund	-	441,512	-	441,512
Property revaluation fund	941,664	-	-	941,664
	<hr/>	<hr/>	<hr/>	<hr/>
	1,195,832	2,467,448	1,131,559	4,794,839
	<hr/>	<hr/>	<hr/>	<hr/>

The above analysis has been adopted to show accumulated unrealised gains relating to the investment portfolio and freehold land and buildings.

## 11 Retirement benefit schemes

	2018 £	2017 £
Charge to statement of financial activities in respect of defined contribution schemes	2,760	1,421
	<hr/>	<hr/>

## 12 APB Ethical standards

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.