

**HAWTHORNE TRUST LIMITED**  
(A Company Limited by Guarantee)

INCORPORATING

**THE CHRISTIAN SCIENCE VISITING NURSE SERVICE, LONDON FIELD**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 SEPTEMBER 2018**

**Company Number: 293710**  
**Charity Number: 209230**

# HAWTHORNE TRUST LIMITED

## GENERAL INFORMATION

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Charity Registration Number	209230
Company Registration Number	293710
Governing Instrument	Memorandum and Articles of Association dated 7th October 1948, as amended. The principal aim is to provide nursing care based on Christian Science principles.
Directors (Trustees)	Mr B Blandford Mrs M Chaplin Mr J Weaver Mrs S Thomas (Completed Term 15 <sup>th</sup> March 2018) Mr P Ramsbottom (Appointed 24 <sup>th</sup> February 2018)
CEO/Administrator	Mr A M Holland
Registered Office	Charton Manor Gorse Hill Farningham Kent DA4 0JT
Independent Auditors	haysmacintyre Chartered Accountants Statutory Auditors 10 Queen Street Place London EC4R 1AG
Bankers	Lloyds Bank Plc 130 The Broadway Bexleyheath Kent DA6 7DP
Investment Powers	Provisions of Trustee Act 2000, as amended, apply.
Investment Managers	Investec Wealth & Investment Ltd 30 Gresham Street London EC2V 7QN & Sanlam Private Investments (UK) Ltd 16 South Park Sevenoaks Kent TN13 1AN
Solicitor	James Brenan Cubism Law 118 Chancery Lane London WC2A 1PP
Insurance Brokers	Stackhouse Poland Limited 1st Floor Shore House 68 Westbury Hill Westbury-On-Trym Bristol BS9 3AA

**TRUSTEES' ANNUAL REPORT**

The Directors (Trustees), known as 'the Board' present their annual report and audited financial statements of the Company for the year ended 30th September 2018.

**REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS**

Details of the current directors and advisors are shown under General Information.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The day-to-day administration of Hawthorne Trust Limited (the Trust or the Company) is delegated to the Administrator who, for the purposes of the Care Quality Commission (CQC), is the 'Nominated Individual responsible for supervising the management of the care home'. The care home is known by its operating name of Charton Manor.

The management of Christian Science (CS) nursing and the training of CS nurses at the care home is carried out by a CS Nursing Manager who, for the purposes of the CQC is the 'Registered Manager of the care home'.

The management of the CS Visiting Nurse Service (CSVNS), London Field, (registered as a 'Domiciliary Care Agency') is carried out by a Visiting CS Nurse Services Manager who, for the purposes of the CQC is the 'Registered Manager of the VCSNS' providing care in an individual's home. The VCSNS remains a separate legally distinct charity but is under the direction of the Board of the Company and has its own aims, objectives and funds.

Pay and remuneration of the charity's key management personnel are determined by the Directors based on market trends and standards. Annual appraisals are given and goals are agreed for all management level staff.

The Board is drawn from the members of the Company, and newly-appointed Board member are formally elected at the next Annual General Meeting. The Board meets every month and Company members meet quarterly for reports and workshops on the work of the Trust. The Board is kept abreast of developments regularly by their advisors and receive monthly financial and inspection reports. Christian Scientists are sent invitations by the Board to join the Company and represent their branch church.

**RISKS AND UNCERTAINTIES**

The Board concluded their annual Risk Assessment Review in November 2017 and also drew up a revised Business Continuity Plan (BCP) in April 2018 to address specific steps to be taken in the event of any major interruption to the ongoing activities of the work of the Trust. The principal risks and uncertainties identified were satisfied by regular Fire Drills to keep staff aware and alert to this requirement; clear policies governing safeguarding for patients and staff; compliance with Health and Safety needs; Disclosure and Barring Service (DBS) clearances for all staff; security processes for visitors and family members. The Trust remains ready and alert for Environmental Health and CQC inspections. The Board meets annually with, and monitors and communicates with, our investment managers to discuss the performance of our investments which are paramount to the future of the Trust. As part of this, benchmarks may be reset and the nature of ethical investments are also reviewed. Part of the risk assessment each year is our insurance policy which includes a liability section for Employers and Public as well as Directors and Officer indemnity.

Towards the end of the financial year the Trust has invested with expert consultants in HR and H&S support; these arrangements are for 5 years with Croner.

**OBJECTIVES AND ACTIVITIES**

The principal activity of the Company continues to be the operation of a Christian Science nursing facility known as Charton Manor based on Christian Science principles and registered with the CQC as a 'care home not providing medicines or medical treatment'. The Company also operates the VCSNS which is registered with the CQC as a Domiciliary Care Agency.

The Company operates as a charity and is registered with the Charity Commission.

The Company offers a residential facility with Assisted Living provisions for Christian Scientists who have been actively engaged in church work over a long period. This programme provides invaluable support and encouragement to the physical and metaphysical base of the healing work undertaken at Charton Manor.

The Company continues to operate a Christian Science Nurses' Training Centre.

TRUSTEES' ANNUAL REPORT - CONTINUED

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**FUNDRAISING**

The Company does not engage in significant publicity or fundraising, deriving its income from the payment of fees, donations from churches and supporters of our ministry, as well as income from investments and bequests.

The Company does not engage professional or with commercial participants and given that fundraising is not significant, the charity does not participate in any voluntary fundraising schemes or standard. The charity has received no complaints with regard to fundraising.

The Company is alert to protect vulnerable and potential donors, avoiding unreasonable and persistent approaches or undue pressure to give, in the course of or in connection with fundraising for the charity.

**PUBLIC BENEFIT**

The Directors have had regard to the guidance from the Charity Commission in ensuring that the activities of the Trust is for the public benefit.

The fees charged to nursing patients are below the cost of provision, the Company providing a subsidy from the charitable donations received and other income sources. Patients are invoiced weekly for fees of the services provided and are required to contribute only what they can reasonably afford each week. The shortfall is initially met by grants from a separate charitable trust, 'The Aid Fund (TAF) for Christian Scientists in Need of Nursing Care', on satisfactory completion of a means tested application form. The extent of support is subject to their conditions. Any shortfall is temporarily met by The Hawthorne Trust Benevolent Fund (HTBF), a restricted fund of this charitable Company

The Board is indebted to the continuing generosity of TAF who makes available grants to patients unable to meet the full cost of their nursing care. Grants to patients at Charton Manor, and those using the VCSNS, amounted to £112,348 (2017: £155,799).

The HTBF was established in 2007 for the sole purpose of meeting patient fees where other means had been exhausted. Donations help towards the income of the HTBF. Total donations to the HTBF amounted to £15,500 (2017: £38,455). The HTBF paid out £25,722 during the year (2017: £36,426) to patients whose grants from TAF had been reduced or exhausted.

The support provided by TAF and the HTBF represents 18.1% + 4.1% respectively of the total annual invoiced fees (2017: 26.3% + 6.1%) and ensures that the Company's services are accessible to all those who are eligible and wish to apply.

Trainee Christian Science nurses are sponsored by the Company if they elect to do their on-the-job instruction on the Charton Manor nursing floor and/or in conjunction with the VCSNS. We are grateful to both the 'Pension Trust for Christian Science Nurses' and 'The Albert Baker Fund' (a US charity), for their financial support of the trainees, and hence the Company, during the period of their training with us.

**ACHIEVEMENT AND PERFORMANCE**

The facility has been very busy during this FY and there have been many healings allowing those receiving nursing care to return home refreshed and rejuvenated. The VCSNS has also been very busy with both nursing care cases and pastoral (friendly) visits; sometimes visiting Christian Scientists well beyond the London Field. In all respects we are grateful for our interaction with our sister CS houses in Manchester and South Wales including the VCSNS in Bristol.

We are particularly grateful for the addition of a Journal-listed Christian Science nurse who has been working with the increasingly busy VCSNS since 1<sup>st</sup> September 2018. This came at a time when the VNS was very busy; this is an opportunity that we have been working to fill and improve for some years.

A CS Nursing Practice (CSNP) 2 course was completed in December 2017 by three trainee CS nurses. A CSNP 3 course is scheduled for November 2018 which is for two trainee CS nurses. An Introduction to CS Nursing class is planned for late Spring 2019.



TRUSTEES' ANNUAL REPORT - CONTINUED

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**ACHIEVEMENT AND PERFORMANCE (continued)**

The annual AOCSN (Association of Organizations for Christian Science Nursing) conference was held in May as usual, the venue being a very pleasant Dallas, Texas. A Board member and the Administrator were present. This again provided opportunities for interaction with our peers, particularly from North America, about the future of CS nursing including considerations re: training of CS nurses and the future promotion of CS nursing and CS nurses.

We were pleased to hold our Open Day on a cooler day in mid-June. Our speaker, a CS Practitioner based in Devon, gave her talk in a marquee which was set up on the front lawn. Our website has been expanded and includes a short video and greater detail about our activities at both the facility and in the home.

The activities team and our many volunteers continued to provide a wide range of events for our residents and guests. The highlights being visits by dogs, ponies, hedgehogs, performing artists including professional musicians and singers and a monthly online film show. Our Christmas programme was especially full and included a visit from some school children, who sang a number of traditional carols and played some musical instruments.

Our Activities Department is always looking to widen and increase the scope of interest for the residents. Country drives including visits to Garden Centres have proved to be very rewarding and enjoyable this year.

On the last Saturday of September, we joined other CS nursing facilities in an International Christian Science Nursing Day. This was well-supported by church members and celebrated the Church Manual By-Law for the Christian Science Nurse and the work and ministry of the CS Nurse. The day consisted of a panel discussion with Q&A in the morning followed by a choice of workshops and talks in the afternoon on a variety of subjects. The content of the day and its approval by those in attendance has led to a consideration that we shall repeat this event on similar lines perhaps in 2020.

**FINANCIAL REVIEW**

In the year under review, the combined income from legacies and one-off donations fell, as did also amounts paid by patients, guests and staff, compared to the previous year. We had an increase in Assisted Living places during the year to eight; Assisted Living places in the House continue to meet a need in the Christian Science community, and have further enhanced the Trust's dependable additional income stream. Donations and gifts to the Trust, including specific donations for benevolence were £136,336 (2017: £272,479), while legacies received were £7,712 (2017: £123,524).

There was a slightly lower 'Total contributions received from continuing operations' (£678,665 compared with £685,272 last year) and a 7% increase in 'Total expenditure' (£1,212,567 compared with £1,185,017 last year).

The Brenda Woodcock Memorial Fund now stands at £226,968 (2017: £221,195), a net increase of £5,773. It is a restricted fund, for the benefit of Assisted Living guests at Charton Manor. The gross income of £7,462 was derived from investments less £1,689 - portfolio management expenses and includes the Ground Rent from Orchard of £100. The Company retains the freehold of the land occupied by the Orchard Housing Association's property in Surrey.

Income from investments was lower at £157,734 compared to £173,991 in 2017, a small decrease of £16,257. Income from patients and guests fell by £6,607 on the previous year mainly due to the lower intake of patients between April and September. Unrealised gains of £107,530 (2017: £363,031) remains about the same; this is an indication of a steady market and continued less concern or impact from conflicts particularly in the Middle East. However, the uncertainties over BREXIT and the prospect of an acceptable withdrawal from the EU continue to grow.

The Board remains satisfied with the overall constitution of the investment portfolios which are balanced between the generation of income for the present and growth for the future. Investments continued to show a satisfactory level of return under the present circumstances.

A Cash Flow Statement appears on page 11 revealing a net decrease in cash of £143,900 compared to a net increase in the previous financial year of £69,622. Compared to last year, the main changes are a decrease in large donations and legacies received, less income received from guests, and lower income taken from investment cash in the year.

## TRUSTEES' ANNUAL REPORT - CONTINUED

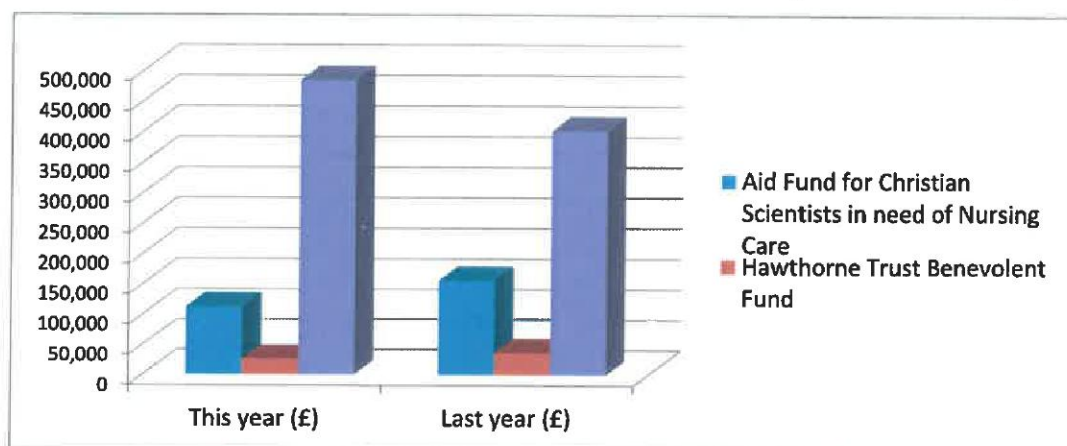
**FINANCIAL REVIEW (continued)**

The results of the year are set out in the Statement of Financial Activities on Page 9.

The position at the end of the year is shown in the Balance Sheet on Page 10.

The movements in fixed assets during the period are set out in Note 14 of the financial statements.

There follows a table showing how the income due from guests for the provision of nursing care, was funded.



<i>Income due from guests for nursing services was funded as</i>	<i>%</i>	<i>2018</i>	<i>%</i>	<i>2017</i>
Aid Fund for Christian Scientists in need of Nursing Care	18.1	112,348	26.2	155,799
Hawthorne Trust Benevolent Fund	4.1	25,722	6.1	36,426
Guests and other private means	77.8	483,425	67.7	401,301
<b>Total amount due from guests for nursing services</b>	<b>100.0</b>	<b>621,495</b>	<b>100.0</b>	<b>593,526</b>

**RESERVES POLICY**

From an accounting standpoint, and in the context of the Company, 'Reserves' means the total value of assets less the total value of liabilities.

Total value of assets comprises

- 1) Tangible fixed assets (land, buildings, motor vehicles, equipment)
- 2) Investments (investments managed by Investec Wealth & Investment Ltd and Sanlam Private Investments (UK) Ltd)
- 3) Debtors (mainly amounts owing by patients, and some other receivables)
- 4) Cash at Bank and in hand

Total value of liabilities comprises

- 1) Creditors (amounts owing to trade creditors, and to the HM Revenue and Customs for staff PAYE and National Insurance contributions)

Total Reserves as at September 30, 2018 were £7,129,265 (lower than 2017) these may also be considered as funds.

Looking at the separate categories, the value of the tangible fixed assets increased to £2,130,087 (2017: £2,057,026). These, primarily the buildings, are considered 'fixed' in the sense that they could not be sold readily to generate cash, without undermining the ongoing work of the Company. The only likely realisation for these assets would be in the event of a closure of Charton Manor.

Investments are assets that could be easily turned into cash (also referred to as 'liquid assets'), (value as at September 30, 2018 was £4,909,438) which make a key financial contribution to Hawthorne Trust's income each year. As stated earlier the investment income represented £157,734, meeting approximately 13% of Hawthorne Trust's expenditure. Investment income will vary with level of reserves and market conditions, but over the last 10 years has produced a valuable £1,000,000 plus income for the Company. It is the policy of the Company to add to these investments when income allows (particularly income from donations and legacies). Similarly, investments are sold when necessary to meet the operating costs of the Trust. Any decrease in investments also influences the investment income level generated in following years.

## TRUSTEES' ANNUAL REPORT - CONTINUED

**RESERVES POLICY (continued)**

In 2018, total reserves decreased by £152,658 (2017: Increase of £441,436).

The other categories (debtors, cash at bank and in hand, and creditors) are of a comparatively small net value. More information about them can be found in the Balance Sheet and in the Notes to the Accounts.

The funds are explained in Notes 18 and 19 to these accounts. Of the total of £7,129,265, £489,873 is held in the VCSNS, London Field Fund (restricted funds for this activity). The remainder is available for the other activities of the Company, through restricted and unrestricted funds, specifically the operation of Charton Manor - and represents over five years' expenditure.

The Company needs to be able to demonstrate financial viability to the CQC. It is also a requirement of our sponsor's licence with UK Visas and Immigration, where we need to continue bringing in staff and trainees from abroad, demonstrating that we have sufficient reserves to qualify for our 'A-rated' status. Despite a continuing pattern of generating net outgoing rather than incoming resources each year (before taking account of donations and legacies), and the uncertainty over future investment growth, the Board nevertheless considers this to be an adequate level of reserves. The Trustees policy is to maintain a sufficient level of reserves to allow it to continue to provide, for the foreseeable future, a care home for CS residents and short term CS nursing care for students of Christian Science. This also has regard to the need for ongoing investment in the premises.

**PLANS FOR THE FUTURE**

The strategic plan issued in Spring 2018 has as its objective: 'To achieve long-term sustainability of Charton Manor and its fundamental role in Christian Science nursing and Christian Science healing'. The inclusion of complimentary 'pastoral care' as part of the work of the VCSNS has continued to raise the profile of CS nursing generally and keep in touch with vulnerable and senior Christian Scientists living alone and who are unable to participate in church activity. This continues to be very successful and the Board is sure that it will continue to benefit all concerned as we move into 2019 and beyond. Indeed, several pastoral visits, although offered free of charge, have been paid for out of gratitude and on behalf of the individual receiving the visits.

The idea to refurbish several other areas of the house in 2018 has come to fruition. This is part of the Company's ongoing review of the site and its buildings which have been here for 30 years. We now have an accessible toilet on the ground floor between the lounge and dining room. The sitting room has been modernised and the removal of the bathroom has allowed us to provide a smaller but manageable activities manager's office. On the first floor, two new en-suite rooms have replaced the loft store, leaving a smaller store. A new large shed now contains spare furniture and mobility aids.

There remains a shortage of CS nurses to work at Charton Manor and the VCSNS. We have advertised for additional staff to support the Training Centre, CS nursing floor and VCSNS. Application forms, to join our nursing staff, are available on application to the Board's Executive Secretary or CS Nursing Manager, forms are also available from our website. Currently we have received applications for the planned trainee Introduction to CS Nursing class in March 2019.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the Trustees of the Trust for the purposes of charity 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 Directors to of the charitable company to prepare, for each financial year, financial statements which give a true and fair view of the Company's state of affairs and of the incoming resources and application of resources, including the income and expenditure. In preparing these financial statements, the Directors 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

## TRUSTEES' ANNUAL REPORT - CONTINUED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

**AUDITORS**

A resolution to re-appoint haysmacintyre as auditors will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Charton Manor  
Gorse Hill  
Farningham  
Kent DA4 0JT

17 January 2019

By Order of the Board



Jim Weaver  
Director



HAWTHORNE TRUST LIMITED

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**Opinion**

We have audited the financial statements of Hawthorne Trust Limited for the year ended 30 September 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the parent charitable company's affairs as at 30 September 2018 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on pages 5 and 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## HAWTHORNE TRUST LIMITED

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report (which 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' Annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the charitable company; or
- the charitable company 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' Annual Report and from the requirement to prepare a strategic report.

**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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Adam Halsey**  
**Senior Statutory Auditor**

For and on behalf of  
**haysmacintyre**  
**Chartered Accountants and Statutory Auditors**



2019

**10 Queen Street Place**  
**London**  
**EC4R 1AG**

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE)

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>Income from:</b>					
Donations and legacies	2	110,666	33,382	144,048	396,003
<i>Charitable activities:</i>					
Contributions received	3	646,121	32,544	678,665	685,272
Investment income	4	127,642	30,092	157,734	173,991
<b>Total Income</b>		<u>884,429</u>	<u>96,018</u>	<u>980,447</u>	<u>1,255,266</u>
<b>Expenditure on:</b>					
<i>Cost of raising funds:</i>					
Investment management fees	5	25,477	5,182	30,659	29,533
<i>Expenditure on charitable activities:</i>					
Provision of care services	6	1,085,787	96,121	1,181,908	1,155,484
<b>Total expenditure</b>		<u>1,111,264</u>	<u>101,303</u>	<u>1,212,567</u>	<u>1,185,017</u>
Net (expenditure)/income before investment gains		(226,835)	(5,285)	(232,120)	70,249
Net gains on investments	15	83,827	(4,365)	79,462	371,187
<b>Net (expenditure)/income</b>	10	<u>(143,008)</u>	<u>(9,650)</u>	<u>(152,658)</u>	<u>441,436</u>
Transfers between funds	18	(8,193)	8,193	-	-
<b>Net Movement in Funds</b>		<u>(151,201)</u>	<u>(1,457)</u>	<u>(152,658)</u>	<u>441,436</u>
<b>Reconciliation of funds:</b>					
Fund balances at the start of the reporting period		6,563,625	718,298	7,281,923	6,840,487
<b>Fund balances at the end of the reporting period</b>		<u>6,412,424</u>	<u>716,841</u>	<u>7,129,265</u>	<u>7,281,923</u>

The Company had no recognised gains or losses other than those disclosed in the Statement of Financial Activities above. All activities are continuing.

The unrestricted funds are general funds of the trust and the restricted funds are made up of: The Benevolent Fund, The Brenda Woodcock Memorial Fund, The Building Repairs Fund and the Visiting Christian Science Nurse Service Fund.

The notes form part of these Financial Statements

## BALANCE SHEET

Company Number: 293710

AS AT 30TH SEPTEMBER 2018

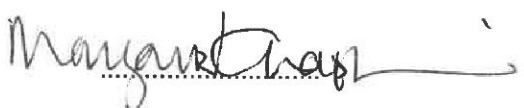
		2018		2017	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	14		2,130,087		2,057,026
Investments	15		<u>4,909,438</u>		<u>4,934,550</u>
			7,039,525		6,991,576
<b>CURRENT ASSETS</b>					
Debtors	16	84,744		100,976	
Cash at bank and in hand		<u>108,564</u>		<u>252,464</u>	
		193,308		353,440	
<b>CREDITORS:</b> amounts falling due within one year	17	<u>103,568</u>		<u>63,093</u>	
<b>NET CURRENT ASSETS</b>			<u>89,740</u>		<u>290,347</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	19		<u>7,129,265</u>		<u>7,281,923</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted	18				
General Funds			6,412,424		6,563,625
Restricted					
Hawthorne Trust [Charton Manor] Benevolent Fund			-		2,029
Brenda Woodcock Memorial Fund			226,968		221,195
Visiting Christian Science Nurse Service			<u>489,873</u>		<u>495,074</u>
<b>TOTAL CHARITY FUNDS</b>			<u>7,129,265</u>		<u>7,281,923</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Board of Directors (Trustees) on 17 January 2019 and signed on its behalf by:



Director (Trustee)  
J Weaver



Director (Trustee)  
M Chaplin



## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

	2018		2017	
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net movement in funds for the year		(152,658)		441,436
Depreciation charges		63,145		59,776
Investment income		(157,734)		(173,991)
Loss on the disposal of fixed assets		-		7,680
(Gains) on investments		(79,462)		(371,187)
(Increase)/decrease in debtors		16,232		(39,816)
Increase/(decrease) in creditors		36,770		(7,378)
<b>Net cash used in operating activities</b>		<b>(273,707)</b>		<b>(83,480)</b>
<b>Cash flows from investing activities:</b>				
Investment income		157,734		173,991
Purchase of tangible fixed assets	(132,501)		(74,031)	
Purchase of fixed asset investments	(569,197)		(488,403)	
Proceeds from the sale of fixed asset investments	586,529		515,421	
Cash added to/(deducted from) investment cash	87,242		26,124	
		(27,927)		(20,889)
<b>Net cash provided by investing activities</b>		<b>129,807</b>		<b>153,102</b>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<b>(143,900)</b>		<b>69,622</b>
Cash and cash equivalents at the beginning of the year		252,464		182,842
<b>Total cash and cash equivalents at the end of the year</b>		<b>108,564</b>		<b>252,464</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

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**1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards issued by UK accountancy bodies. The particular accounting policies adopted are described below.

**(a) Basis of preparation**

The financial statements 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Hawthorne Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, as modified for the revaluation of investments. The format of these financial statements has been adapted to follow the accounting requirements of the Charities Act 2011 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015).

Further to a Uniting Direction issued by the Charity Commission, the financial statements aggregate the results and net assets of the Visiting Christian Science Nurse Service, London field, Charity Registration number 209230.

**(b) Preparation of the accounts on the going concern basis**

The charity has total funds carried forward of £7,129,265. The trustees are of the view that this is more than sufficient to secure the long term future of the charity and that on this basis the charity is a going concern.

**(c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Throughout the year guests were charged for the cost of their stay and asked to contribute what they could afford.

Further contributions towards guests' costs were received from The Aid Fund for Christian Scientists in Need of Nursing Care ("The Aid Fund"). The balance of the costs incurred by guests were met from the resources of the charity.

All contributions arise in respect of the charity's continuing activities.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Receipts of property, investments or other gifts in kind are included at market value.

**(d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

## 1. ACCOUNTING POLICIES (cont'd)

## (e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific future purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work.

## (f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises the costs of managing the investment funds.
- Expenditure on charitable activities includes the costs of providing nursing care, repairs to the care home and other activities undertaken to further the purposes of the charity and their associated support costs.

## (g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include admin, finance, personnel, and governance costs which support the Trust's primary activity of providing a nursing facility. Support costs consist of those costs not directly attributable to the activities of the charity but which are necessary to support them.

## (h) Tangible fixed assets (cont'd)

Assets with a useful life exceeding one year, costing in excess of £500 are capitalised at cost.

Depreciation is calculated to write off the cost of all tangible fixed assets, other than freehold land, which is not depreciated, in equal annual instalments over their estimated useful lives at the following rates:

	%
Buildings	2
Boilers/plant	5
Furniture, fixtures and fittings	10
Equipment	10
Computer equipment	20
Motor vehicles	20

## (i) Operating leases

Operating lease rentals are recognised in the Statement of Financial Activities on a straight line basis over the period of the lease.

## (j) Financial instruments

There are no complex instruments and all items are initially valued at cost/transaction value with investments being restated at fair value. Gains and losses on the restatement or disposal of investments are shown in the Statement of Financial Activities.

## (k) Pensions

The Charity makes pension contributions into the Hawthorne Trust Group Personal Pension Plan (GPPP), which is a defined contribution pension scheme. The GPPP is with AEGON and managed by Buckland Harvester of 5 The Parsonage, Manchester M3 2HS. The Charity has no liability other than to make the defined contributions as they fall due.

Total contributions for the year are disclosed as other pension costs in Note 7.

## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

## 2. DONATIONS AND LEGACIES

	2018 £	2017 £
Donations	136,336	272,479
Legacies	7,712	123,524
	<u>144,048</u>	<u>396,003</u>

Of the £396,003 recognised in 2017, £253,643 was unrestricted fund income and £142,360 was restricted fund income.

## 3. INCOME FROM CHARITABLE ACTIVITIES

	2018 £	2017 £
Contributions due from guests	621,495	593,526
Amounts due from staff/students	49,960	71,675
Phone recoveries	1,002	1,983
Other recoveries	6,208	18,088
	<u>678,665</u>	<u>685,272</u>

Of the £685,272 recognised in 2017, £656,697 was unrestricted fund income and £28,575 was restricted fund income.

## 4. INVESTMENT INCOME

	2018 £	2017 £
From listed securities	157,594	173,895
Bank interest	140	96
	<u>157,734</u>	<u>173,991</u>

Of the £173,991 recognised in 2017, £143,262 was unrestricted fund income and £30,729 was restricted fund income.

## 5. COST OF RAISING FUNDS

	Direct Costs	Support Costs	Total 2018	Total 2017
Investment management fees	<u>£30,659</u>	<u>£Nil</u>	<u>£30,659</u>	<u>£29,533</u>

Of the £29,533 expenditure recognised in 2017, £25,093 was charged to unrestricted funds and £4,440 was charged to restricted funds.

## 6. COST OF CHARITABLE ACTIVITIES

	Direct Costs	Support Costs	Total 2018	Total 2017
Provision of nursing care	<u>£1,009,693</u>	<u>£172,215</u>	<u>£1,181,908</u>	<u>£1,155,484</u>

Of the £1,155,484 expenditure recognised in 2017, £1,028,960 was charged to unrestricted funds and £126,524 was charged to restricted funds.

## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

7. ANALYSIS OF DIRECT COSTS	Raising funds £	Charitable activities £	Total 2018 £	Total 2017 £
Salaries and wages	-	633,591	633,591	588,520
Social Security costs	-	48,228	48,228	40,620
Other pension costs	-	52,588	52,588	49,380
	-	734,407	734,407	678,520
Depreciation	-	62,138	62,138	57,118
Major works - external repairs	-	-	-	27,408
Other expenditure	30,659	213,148	243,807	247,879
	<u>30,659</u>	<u>1,009,693</u>	<u>1,040,352</u>	<u>1,010,925</u>

Of the £1,010,925 recognised in 2017, £981,392 was charged to charitable activities and Other Expenditure of £29,533 was charged to raising funds.

8. ANALYSIS OF SUPPORT COSTS	Raising funds £	Charitable activities £	Total 2018 £	Total 2017 £
Salaries and wages	-	86,194	86,194	88,093
Social Security costs	-	4,374	4,374	4,115
Other pension costs	-	8,655	8,655	8,444
	-	99,223	99,223	100,652
Depreciation	-	1,007	1,007	2,658
Governance (Note 9)	-	12,329	12,329	14,138
Other expenditure	-	59,656	59,656	56,644
	<u>-</u>	<u>172,215</u>	<u>172,215</u>	<u>174,092</u>

All of the £174,092 recognised in 2017 was charged to charitable activities.

9. GOVERNANCE COSTS	2018 £	2017 £
Audit fee	8,820	9,520
Directors' expenses	3,509	4,618
	<u>12,329</u>	<u>14,138</u>

10. NET INCOME/(EXPENDITURE)	2018 £	2017 £
This is stated after charging:		
Depreciation	63,145	59,776
Auditors remuneration - audit services	8,820	9,520
Pension costs (defined contribution scheme)	52,588	49,380
Loss on disposal of fixed assets	<u>-</u>	<u>7,680</u>

## 11. DIRECTORS' REMUNERATION AND EXPENSES

The directors did not receive any remuneration in the current or prior year.

Expenses amounting to £3,509 (2017: £4,618) were reimbursed to 5 (2017: 6) Directors in the year for travel.

## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

12. STAFF COSTS	2018 £	2017 £
Staff costs during the year were as follows:		
Wages and salaries	719,785	676,613
Social security costs	52,602	44,735
Pension costs	61,243	57,824
	<u>833,630</u>	<u>779,172</u>

- (a) The average number of persons employed by the company during the period was 28; 14 full time and 14 part time (2017: 27; 15 full time and 12 part time).
- (b) Salaries and wages includes £33,470 (2017: £44,301) in respect of temporary staff.
- (c) Higher paid staff. There were no staff whose total employee benefits (excluding employer pension costs) exceeded £60,000 (2017: none).
- (d) The key management personnel of the charity comprise the board, administrator, nursing manager and the VCSNS manager. The total employee benefits of the key management personnel of the trust were £146,155 (2017: £145,104).

## 13. TAXATION

As the Company has charitable status it is exempt from Corporation Tax on its charitable activities and capital gains, provided that its expenditure is for charitable purposes.

## 14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles furniture and equipment £	Total £
<b>COST</b>			
At 1st October 2017	2,896,183	279,813	3,175,996
Additions	120,094	16,112	136,206
At 30th September 2018	<u>3,016,277</u>	<u>295,925</u>	<u>3,312,202</u>
<b>DEPRECIATION</b>			
At 1st October 2017	900,144	218,826	1,118,970
Charge for the year	50,123	13,022	63,145
At 30th September 2018	<u>950,267</u>	<u>231,848</u>	<u>1,182,115</u>
<b>NET BOOK VALUE</b>			
At 30th September 2018	<u>2,066,010</u>	<u>64,077</u>	<u>2,130,087</u>
At 30th September 2017	<u>1,996,039</u>	<u>60,987</u>	<u>2,057,026</u>

Additions to freehold land and buildings includes payments on account for two improvement projects which started during the year. Depreciation of the improvements will commence on completion of the projects during the year ending 30<sup>th</sup> September 2019.

## NOTES ON FINANCIAL STATEMENTS - continued

## FOR THE YEAR ENDED 30TH SEPTEMBER 2018

## 15. FIXED ASSET INVESTMENTS

	Total £	Cash £	Government and Fixed Interest Securities £	Equities £	Unit Trusts £	Unquoted Securities £
Market value at 1 October 2017	4,934,550	184,877	1,001,467	1,368,199	2,379,982	25
Additions in the year	580,696	11,499	104,960	308,683	155,554	-
Disposal proceeds	(685,270)	(98,741)	(141,203)	(345,690)	(99,636)	-
Net investment gains/(losses)						
- Realised gains/(losses) on disposals	(28,068)	-	(6,010)	(19,794)	(2,239)	(25)
- Unrealised gains	107,530	-	(22,412)	15,705	114,237	-
Market value at 30 September 2018	<u>4,909,438</u>	<u>97,635</u>	<u>936,802</u>	<u>1,327,103</u>	<u>2,547,898</u>	<u>-</u>
Cost at 30 September 2018	<u>3,678,074</u>	<u>97,635</u>	<u>906,280</u>	<u>1,089,480</u>	<u>1,584,679</u>	<u>-</u>
Cost at 30 September 2017	<u>3,786,687</u>	<u>184,877</u>	<u>942,149</u>	<u>1,143,696</u>	<u>1,515,940</u>	<u>25</u>

Government and Fixed Interest Securities, Equities and Unit Trusts Investments are quoted on a UK recognised stock exchange.

Of the £371,187 net realised and unrealised gains on investments recognised in 2017, £338,910 related to unrestricted funds and £32,277 related to restricted funds.

## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

16. DEBTORS					
				2018 £	2017 £
Trade debtors				16,037	14,918
Other debtors				32,852	51,151
Prepayments and accrued income				35,855	34,907
				<u>84,744</u>	<u>100,976</u>
17. CREDITORS: Amounts falling due within one year					
				2018 £	2017 £
Taxes and social security				14,193	12,620
Other creditors				14,193	11,364
Trade creditors and accruals				75,182	39,109
				<u>103,568</u>	<u>63,093</u>
18. RESERVES					
	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
<u>2018</u>					
Unrestricted General Fund	6,563,625	968,256	(1,111,264)	(8,193)	6,412,424
Restricted Funds:					
Brenda Woodcock Memorial Fund	221,195	7,462	(1,689)	-	226,968
Charton Manor Benevolent Fund	2,029	15,500	(25,722)	8,193	-
VCSNS Fund	495,074	68,691	(73,892)	-	489,873
	<u>7,281,923</u>	<u>1,059,909</u>	<u>(1,212,567)</u>	<u>-</u>	<u>7,129,265</u>

The Brenda Woodcock Memorial Fund is a restricted fund for the benefit of assisted living guests at Charton Manor.

The Charton Manor Benevolent Fund has been established as a restricted fund to provide contributions towards guests' costs in the case of need.

The VCSNS Fund provides benefit to those Christian Scientists usually living within 50 miles of central London who are in need of nursing in their own homes.

The Building Repairs Fund was established to account for a grant received from The Westminster Fund towards the cost of parapet repairs at Charton Manor. A transfer was made in 2017 to unrestricted general funds for the balance of costs that were incurred in the previous financial year.



## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

## 18. RESERVES (cont'd)

Comparative information for the movement in reserves in the previous year is as follows:

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
<u>2017</u>					
Unrestricted General Fund	6,148,506	1,392,512	(1,054,053)	76,660	6,563,625
Restricted Funds:					
Brenda Woodcock Memorial Fund	206,311	15,843	(959)	-	221,195
Charton Manor Benevolent Fund	-	38,455	(36,426)	-	2,029
VCSNS Fund	485,670	79,643	(70,239)	-	495,074
Building Repairs Fund	-	100,000	(23,340)	(76,660)	-
	<u>6,840,487</u>	<u>1,626,453</u>	<u>(1,185,017)</u>	<u>-</u>	<u>7,281,923</u>

## 19. NET ASSETS BY FUND

	Total £	General £	Brenda Woodcock Memorial Fund £	Charton Manor Benevolent Fund £	VCSNS Fund £
<u>2018</u>					
Tangible fixed assets	2,130,087	2,130,087	-	-	-
Investments	4,909,438	4,236,780	191,133	-	481,525
Net current assets	89,740	45,557	35,835	-	8,348
As at 30th September 2018	<u>7,129,265</u>	<u>6,412,424</u>	<u>226,968</u>	<u>-</u>	<u>489,873</u>

Comparative information for the analysis of net assets by fund in the previous year is as follows:

	Total £	General £	Brenda Woodcock Memorial Fund £	Charton Manor Benevolent Fund £	VCSNS Fund £
<u>2017</u>					
Tangible fixed assets	2,057,026	2,056,801	-	-	225
Investments	4,934,550	4,260,076	185,019	-	489,455
Net current assets	290,347	246,748	36,176	2,029	5,394
As at 30th September 2017	<u>7,281,923</u>	<u>6,563,625</u>	<u>221,195</u>	<u>2,029</u>	<u>495,074</u>

## NOTES ON FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 30TH SEPTEMBER 2018

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**20. COMPANY STATUS AND MEMBERSHIP**

The Company is a private company limited by guarantee and without a share capital registered in England and Wales. The liability of the members is limited and every member of the Company undertakes to contribute up to £1 to the assets of the Company in the event of its being wound up. At 30th September 2018 there were 20 members.

The registered office of the company is at Hawthorne Trust Ltd, Charton Manor, Gorse Hill, Farningham, Kent, DA4 0JT.

**21. RELATED PARTIES**

There have been no transactions with related parties during the year ended 30th September 2018 or in the preceding year.

**22. CONTRACTUAL COMMITMENTS**

There were no contractual commitments as at the year end (2017: None).

HAWTHORNE TRUST LIMITED  
OPERATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30TH SEPTEMBER 2018

OPERATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER 2018		Year ended 30 September 2018	Year ended 30 September 2017
	Note		
<b>INCOME</b>			
Due from guests for nursing services (excl. phones)	1	621,495	593,526
Due from staff and students (excl. phones)		49,960	71,675
Phone recoveries		1,002	1,983
Other recoveries		9,657	19,297
Amounts considered doubtful		(3,449)	(1,209)
<b>Total contributions received from continuing operations</b>		<b>678,665</b>	<b>685,272</b>
Donations and gifts - unrestricted		120,836	234,024
Donations and gifts - restricted (Benevolent Fund)		15,500	38,455
Legacies		7,712	123,524
Investment income		157,734	173,991
<b>Total income</b>		<b>980,447</b>	<b>1,255,266</b>
<b>EXPENDITURE</b>			
<b><u>Cost of raising funds</u></b>			
Investment Managers fees		30,659	29,533
<b><u>Charitable activities</u></b>			
Contributions towards patients fees by the HTL Benevolent Fund	1	25,722	36,426
Salaries and pension costs		734,407	678,520
Food supplies		49,430	45,546
Nursing Supplies		12,208	12,683
Laundry		525	474
House sundries		40,209	38,696
Major works - external repairs		0	27,408
Repairs, maintenance and leasing		37,431	13,327
Recruitment advertising		922	118
Service contracts		1,897	3,193
Travel expenses and allowances		7,571	10,942
Other professional fees		11,576	18,309
Trust sundries		25,657	30,952
Depreciation		62,138	57,118
Loss on disposal of equipment and furniture		0	7,680
<b>Total costs in furtherance of the charity's objects</b>		<b>1,009,693</b>	<b>981,392</b>
<b><u>Support costs</u></b>			
Salaries and pension costs		99,223	100,652
Depreciation		1,007	2,658
<b><u>Other support costs:</u></b>			
Electricity and gas		22,930	22,216
Rates and insurance		27,906	26,954
Telephone		4,190	3,736
Printing, postage and stationery		4,630	3,738
<b>Total support costs</b>		<b>159,886</b>	<b>159,954</b>
<b><u>Governance costs</u></b>			
Professional fees (audit fees)		8,820	9,520
Directors expenses		3,509	4,618
<b>Total management and administrative expenditure</b>		<b>12,329</b>	<b>14,138</b>
<b>Total expenditure</b>		<b>1,212,567</b>	<b>1,185,017</b>
<b>NET (EXPENDITURE)/INCOME</b>		<b>(232,120)</b>	<b>70,249</b>
<b><u>Gains on investments</u></b>			
Realised gains/(losses) on disposal of investments		(28,068)	8,156
Unrealised gains on investments		107,530	363,031
<b>NET MOVEMENT IN FUNDS</b>		<b>(£152,658)</b>	<b>£441,436</b>
<i>Note 1: Income due from guests for nursing services was funded as follows</i>			
Aid Fund for Christian Scientists in need of Nursing Care	%		%
	18.1	112,348	26.2
Hawthorne Trust Benevolent Fund	4.1	25,722	6.1
Guests and other private means	77.8	483,425	67.7
	100.0	621,495	100.0
			593,526

This page does not form part of the audited financial statements but is based upon the accounting records of the company which have been subject to audit.