

Charity Registration No. 1083810

Company Registration No. 02770415 (England and Wales)

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

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MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2019

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, submit their report and the audited financial statements for the year ended 30 September 2019. 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.

Structure, governance and management

Minchinhampton Centre for the Elderly Limited is a company limited by guarantee with no share capital (Company registration no: 2770415). The company is registered as a charity with the Charity Commission (Charity registration no: 1083810.)

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

C Price
C E J Blackstone
C P Fisher
SH Moreland
A Lane
Lady de Clifford (appointed 10 October 2019)

The trustees are appointed either by resolution of the directors or by ordinary resolution (requiring a simple majority) of the company's members subject to a requirement that any new appointee be approved by a majority of the existing trustees and to a special notice requirement. There is presently no maximum number of trustees, but there is a requirement that there should be no less than four. One third of the directors are required to retire at each annual general meeting, being those who have been longest in office since their last appointment or reappointment, but they may offer themselves for reappointment. The names of those who were trustees at any point during the year are disclosed above.

Members of the company - i.e. the trustees of the parent charity - guarantee to contribute £1 to the assets of the company in the event of winding up. The total number of such guarantees at 30 September 2019 was 8 (2018 - 6).

The trustees are responsible for providing training, where this is necessary, to new trustees so that they are equipped to fulfil their duties properly.

Risk review

The trustees have reviewed the major risks to which the charity is exposed and policies have been designed to mitigate those risks. The external risks to funding are reduced by the diversification of the charity's funding sources. Internal risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. The trustees consider that by aiming to ensure a consistently high level of professionalism from a well trained staff reduces the risk of failure in the standard of care delivered. All procedures are periodically checked to ensure that they continue to meet the needs of the charity.

Going concern

The trustees have reviewed the reserves of the charity and have given full consideration to the financial impact of the Covid 19 Coronavirus. We continue to operate normally in all areas except the Dr Booth Day Centre which will reopen as soon as possible. We took a cautious step in not introducing new residents through the period that testing for the virus was unavailable. Demand for the services that Horsfall House provides is undiminished and now that we can undertake tests on new residents, allied to strict risk assessments, they are now being accepted into the Home.

The trustees consider that this combined with the high level of retained reserves represented in cash and investments held by the parent charity, Minchinhampton Centre for the Elderly, that there are sufficient funds to maintain working capital and accordingly it is appropriate to prepare the financial statements on a going concern basis

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30 SEPTEMBER 2019

Trustees	C Price C E J Blackstone C P Fisher S H Moreland A Lane Lady de Clifford
Secretary	C P Fisher
Horsfall House General Manager	M Greaves, RGN
Charity number	1083810
Company number	02770415
Principal address	Horsfall House Windmill Road Minchinhampton Gloucestershire GL6 9EY
Registered office	Horsfall House Windmill Road Minchinhampton Gloucestershire GL6 9EY
Auditors	Baldwin Audit Services 5 Pullman Court Great Western Road Gloucester GL1 3ND
Bankers	Lloyds Bank Plc 12 Rowcroft Stroud Gloucestershire GL5 3BD

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

Objectives

The trustees have given careful consideration to the charity commission's general guidance on public benefit. The charity's principal object, in accordance with its constitution, continues to be the relief of the aged and disabled who are resident in and around Minchinhampton by the provision of facilities for rehabilitation, recreation and leisure time occupation.

Activities

Throughout the year, the company served the local community by offering residential, domiciliary and day care to both privately funded and social service funded clients.

Financial review

The objective continues to be to produce a modest surplus. This year the charity made a deficit of £135,381. Horsfall House maintained a bed occupancy level of over 98% during the year (2018 - 97%).

Reserves policy

The trustees current policy is that the free reserves are the unrestricted funds not invested in fixed assets. The trustees consider that the level of free reserves at 30th September 2019, which amount to £291,965 is satisfactory.

Investment policy

The Trustee Act 2000 contains statutory powers enabling the trustees to delegate the investment management of the charity's assets to an appropriately qualified investment advisor with discretionary management powers subject to a general policy prescribed by the trustees. The trustees' present policy is that the charity's funds (if any) should be invested in deposit accounts or such other financial instruments as preserve their capital value while earning such interest as is commensurate with the associated, minimal risk.

Future Strategy

The trustees will continue to improve the facilities at Horsfall House and will also maintain a high level of investment in staff training.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these accounts, the trustees are required to:

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

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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

Disclosure of information to auditors

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

On behalf of the board of trustees



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C P Fisher

Trustee & Director

Dated: 17th June 2020

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

Opinion

We have audited the accounts of Minchinhampton Centre for the Elderly Limited for the year ended 30 September 2019 which comprise the Statement of Financial Activities, the Balance Sheet, and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its incoming resources and application of resources, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 directors use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the directors have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the 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 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 auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Mark Handscombe (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

Statutory Auditor
5 Pullman Court
Great Western Road
Gloucester
GL1 3ND

Date

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 £	2018 £
<u>Income and endowments from:</u>			
Charitable activities	2	3,226,278	3,051,397
<u>Expenditure on:</u>			
Charitable activities			
Direct charitable expenditure	3	3,306,135	3,302,778
Governance costs	3	55,524	57,428
Total expenditure		3,361,659	3,360,206
Net income for the year/ Net movement in funds		(135,381)	(308,809)
Fund balances at 1 October 2018		427,346	736,155
Fund balances at 30 September 2019		291,965	427,346

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

All income and expenditure derive from continuing activities.

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Stocks		7,953		7,187	
Debtors	9	398,390		402,859	
Cash at bank and in hand		201,047		279,141	
		<u>607,390</u>		<u>689,187</u>	
Creditors: amounts falling due within one year	10	<u>(315,425)</u>		<u>(261,841)</u>	
Total assets less current liabilities			<u>291,965</u>		<u>427,346</u>
Income funds					
Unrestricted funds			<u>291,965</u>		<u>427,346</u>
			<u>291,965</u>		<u>427,346</u>


These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Board on

17th June 2020



C P Fisher
Trustee & Director



S H Moreland
Trustee & Director

Company Registration No. 02770415

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" (FRS102) and the Companies Act 2006

The trustees consider given the high level of retained reserves represented in cash and investments held by the parent charity, Minchinhampton Centre for the Elderly, that there are sufficient funds to maintain working capital and accordingly it is appropriate to prepare the financial statements on a going concern basis.

1.2 Incoming resources

Incoming resources represents the value of fees or other services invoiced during the year.

1.3 Resources expended

All expenditure is included in the accounts as soon as it is incurred. There are no detailed policies regarding the allocation of fundraising, publicity and administration expenses.

1.4 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock of food and cleaning materials is valued at the lower of cost and net realisable value.

2 Incoming resources from charitable activities

	2019 £	2018 £
Nursing home fees	2,303,887	2,273,932
Day centre and non-residential services	186,730	179,072
Homecare income	732,633	596,147
Miscellaneous income	3,028	2,246
	<hr/>	<hr/>
	3,226,278	3,051,397
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The total incoming resources of the charitable company have been derived from activities wholly undertaken in the United Kingdom.

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

3 Total resources expended

	Staff costs £	Other costs £	Total 2019 £	Total 2018 £
Charitable activities				
Direct charitable expenditure	2,533,547	772,588	3,306,135	3,302,778
Governance costs	26,611	28,913	55,524	57,428
	<u>2,560,158</u>	<u>801,501</u>	<u>3,361,659</u>	<u>3,360,206</u>

Governance costs includes payments to the auditors of £7,138 (2018: £6,776) for audit fees.

Direct charitable expenditure includes £141,282 (2018: £152,123) for operating lease rentals and asset usage charges relating to land and buildings.

4 Governance costs

	2019 £	2018 £
Other governance costs comprise:		
Publicity costs	4,054	3,945
Marketing costs	-	3,789
Legal and professional	17,721	17,084
Audit and accountancy	7,138	6,776
	<u>28,913</u>	<u>31,594</u>

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year (2018: None)

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

6 Employees

Number of employees

The average weekly number of employees during the year was:

	2019 Number	2018 Number
Directors	4	4
Care, domestic and administration staff	152	143
	<u>156</u>	<u>147</u>

Employment costs

	2019 £	2018 £
Wages and salaries	2,298,444	2,164,934
Agency staff	232,974	425,940
Pension costs	28,740	16,587
	<u>2,560,158</u>	<u>2,607,461</u>

There was one employee whose annual remuneration was £60,000 or more.

There were no remuneration payments made to directors during the year (2018: £nil).

7 Taxation

The company has losses of £81,491 (2018: £81,491) available for carry forward at 30 September 2019. However, since registering as a charity on 27 November 2000, the company is no longer subject to Corporation tax and hence these losses will be carried forward indefinitely for offset against any future taxable trading profits.

8 Tangible fixed assets

For administrative reasons the property comprising the land and buildings known as Horsfall House (together comprised in Land Registry Title Nos. GR132825, GR184300 and GR353447) was re-registered in the name of Minchinhampton Centre for the Elderly Limited and, pursuant to a Declaration of Trust dated 9th June 2011, is now held on trust for The Minchinhampton Centre for the Elderly (Charity number 287479) absolutely. Accordingly, the property is included in the accounts of the Charity Group only.

9 Debtors

	2019 £	2018 £
Trade debtors	137,090	124,526
Amounts owed by group undertakings	144,127	161,805
Prepayments and accrued income	117,173	116,528
	<u>398,390</u>	<u>402,859</u>

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

10 Pension Costs

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

11 Creditors: amounts falling due within one year	2019 £	2018 £
Trade creditors	54,544	42,438
Taxes and social security costs	35,020	33,464
Other creditors	86,952	82,135
Accruals	138,909	103,804
	<u>315,425</u>	<u>261,841</u>

12 Operating lease commitments

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

	2019 £	2018 £
Expiry date:		
Within one year	110,015	110,483
Between two and five years	5,453	-
	<u>115,468</u>	<u>110,483</u>

13 Related parties

During the year, the company paid rent of £105,000 (2018: £105,000) and an asset usage charge of £36,282 (2018: £47,123) to its parent undertaking The Minchinhampton Centre for the Elderly, a registered charity. At the balance sheet date there are amounts owed from the parent charity of £144,127 (2018: £161,805). The company also makes use of various other fixtures, fittings and pieces of equipment which are owned by its parent charity.

14 Ultimate Control

The ultimate controlling party is the parent charity "The Minchinhampton Centre for the Elderly".

MINCHINHAMPTON CENTRE FOR THE ELDERLY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

15 Group cashflow information

(a) Net cash inflow/(outflow) from operating activities

	2019 £	2018 £
Net incoming (deficit)/resources before transfers	(135,381)	(308,809)
(Increase)/decrease in stocks	(766)	(1,570)
(Increase)/decrease in debtors	4,469	101,925
Increase/(decrease) in creditors	53,584	(24,830)
Net cash inflow/(outflow) from operating activities	(78,094)	(233,284)

(b) Analysis of net cash/debt

	1 October 2018 £	Cashflow	30 September 2019 £
Cash at bank and in hand	279,141	(78,094)	201,047
Net cash/debt	279,141	(78,094)	201,047