

Company registration number: 3913377  
Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2015

Lanham & Francis  
Registered Auditors  
Church House  
Church Street  
Yeovil  
Somerset

BA20 1HB

# Cedars Castle Hill

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**Cedars Castle Hill**  
**Reference and Administrative Details**

<b>Charity name</b>	Cedars Castle Hill
<b>Charity registration number</b>	1079718
<b>Company registration number</b>	3913377
<b>Registered office</b>	Castle Hill House Bimport Shaftesbury Dorset SP7 8AX
<b>Trustees</b>	Dr G Tapper, President Mrs S D Jacson MBE, Chair Mr M A Pattison CBE Mrs E Westall Mr M G Golberg Mrs P Hobbs Dr S Daddy Mr M J Hall (Appointed 1 January 2015) Dr M Thompson MPhil, DPsych, (Appointed 1 March 2015) AFBPsS, CPsychol Mr A T Morgan (Resigned 4 July 2014) Mr R J Humphries MBE (Resigned 4 July 2014)
<b>Solicitor</b>	Messrs Rutter & Co 2 Bimport Shaftesbury Dorset SP7 8AY
<b>Bankers</b>	National Westminster Bank Plc Shaftesbury The Commons Shaftesbury Dorset SP7 8JY

## **Cedars Castle Hill**

### **Reference and Administrative Details**

**Auditor**

Lanham & Francis  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

**Investment Advisor**

Chestergate Financial Services Limited  
91 Crane Street  
Salisbury  
SP1 2PU

## **Cedars Castle Hill**

### **Trustees' Report**

The trustees who are also directors of the charity for the purposes of The Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The accounts comply with current statutory requirements, the Charity's Memorandum and Articles of Association and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in March 2005.

#### **Trustees and Directors**

Dr G Tapper – Life President

Mrs S D Jacson MBE – Chair

Mr M A Pattison CBE - deputy chair

Mrs E Westall - deputy chair

Mr M G Golberg

Mrs P Hobbs

Dr S Daddy

Mr M J Hall - appointed 1 January 2015

Dr M Thompson MPhil, DPsych, AFBPsS, CPsychol - appointed 1 March 2015

Mr A T Morgan – resigned 4 July 2014

Mr R J Humphries MBE – resigned 4 July 2014

#### **Governance**

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the chairman is nominated by the Trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

The Trustees have a duty to put the day-to-day running of the homes in the hands of one or more suitably qualified registered managers. In the year under review, Ms April King, BSc. Msc. (Dip), RN assumed this role, with Mrs N Tudor as care manager at Castle Hill House and Mrs S Ashcroft, RGN as clinical services manager based at The Cedars Nursing Home.

The full board of Trustees met every two months to administer the charity through a Management Committee involving senior staff. The Trustees also held additional board meetings as required in this year of transition. In addition much planning work was undertaken by two sub-committees of the Board, a Succession Planning Group, and a Communications Group working on the public profile of the charity's two homes. After the end of the year, the Board created two standing committees, one to oversee Policy and Procedures and the second to oversee Financial Management and to keep under review options for strategic development of the charity and the services it provides.

Following several retirements in the course of 2014 as recorded in our last Annual Report, we were pleased to welcome two new trustees early in 2015. Mike Hall brings to the table both valuable corporate experience and long involvement in board level financial responsibility within a charity. Dr Margaret Thompson is an experienced clinical psychologist, still in practice, and has also had personal experience of Castle Hill House over some years when her late mother was a resident.

#### **Risk management**

The Trustees have examined the major strategic, business and operational risks facing the charity and regularly review these. They confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

# **Cedars Castle Hill**

## **Trustees' Report**

### **Objectives and Activities**

The objects of the charity are to provide sheltered accommodation and care for the benefit of aged persons who are in need in Shaftesbury and the surrounding area. There have been no changes in objectives since the last annual report.

The charity has two homes. Castle Hill House is for levels 1, 2 and 3 of care as defined by Dorset County Council and The Cedars Nursing Home for level 4 of care requiring trained nursing care available 24 hours a day. The Homes are run on a not-for-profit basis.

The Trustees continue to aim to make available around one third of our beds for residents funded by social service departments. Although Castle Hill House has a 10-bed block booking contract with Dorset County Council for residential care, the county placed more residents with us for nursing care in The Cedars than for residential care in Castle Hill House. This reflects the changing emphasis in public sector care provision, on which we comment elsewhere in the report.

The homes are primarily for the elderly and disabled, physically and mentally, but both specialise in dementia care and our registration allows for younger people to be admitted when appropriate.

### **Developments, activities and achievements during the year**

The most significant development of the year came when our new Director of Homes, April King, joined us in July 2014. She undertook a full assessment of our services and as a result made proposals to the board for changes in staffing and staff responsibilities in keeping with our aim to provide a safe service throughout the two homes. These changes were implemented, to provide a sound basis for the future development of our work.

The Care Quality Commission, the national regulator for our sector, inspected one of our homes in the course of the year under review. Inspections were also undertaken on behalf of the local Clinical Commissioning Group and Dorset County Council. Some issues were raised in the course of these inspections but, after necessary adjustments, the homes remained compliant with the differing requirements of each of these authorities.

For the year under review, the charity's accounts showed we achieved a small surplus at the operating level but that we incurred an overall loss after charging depreciation.

The increasing dependency of residency in Castle Hill House led trustees to agree additional staffing levels to ensure we can maintain a safe service. This, alongside the recruitment of our new Director of Homes and the introduction of a new organisational structure, explains the trend of costs rising against broadly static income. For the year under review, the charity's accounts show that although our income and operating costs were broadly in balance, we incurred an overall loss after charging depreciation. The Trustees are adopting a number of measures to remedy this situation over the next two year period. These include introducing an additional room at The Cedars, improving occupancy levels and overall efficiency and increasing fees to a level that more accurately reflects the actual cost of the services we deliver.

Our relationship with local authorities on funding of residents and potential residents proved stressful for both sides this year. Financial pressures on County Councils leaves them facing a diminishing overall budget from which to meet demand for care which is increasing inexorably. Inevitably local authorities have attempted to negotiate down the rates at which they fund occupancy in homes like ours. From our point of view, as a charity we are not in a position to subsidise the statutory obligations of local authorities, nor should such authorities seek to press us to do so. This situation makes for difficult and unsatisfactory negotiation, whether over block booking arrangements or individual brokerage. The sector urgently needs a new realism.

Cedars Castle Hill remains one of the few large employers in Shaftesbury, with a total staff roster of 119 in full and part-time posts. Nearly a quarter of these have been with us for at least 10 years, some for over 20 years. Training remains a vital part of our commitment, and amongst our junior care staff we remain well above the national target in terms of the proportion who have completed the relevant diplomas. We aim to recruit locally whenever we can, but we welcome workers from other countries to the extent possible under ever-tightening immigration regulations. We provide training in language and other skills for foreign staff. We have noted the concerns expressed in our sector about the future impact of government decisions to increase the minimum wage to a living wage. Our remuneration policies should enable us to handle this adjustment.

## **Cedars Castle Hill**

### **Trustees' Report**

As we have continued to forecast through recent years, our area of Dorset and Wiltshire exceeds the national trend in terms of the number of residents seeking care. It is our intention that this charity can continue to make a useful contribution to the supply of specialist residential care places for local people.

In the course of the year, Parliament enacted the Care Act 2014. This important piece of legislation was designed to tidy up, amalgamate and supersede many earlier pieces of legislation, and to introduce new rules governing entitlement to public funding for social care. The changes are due to begin to impact on the care sector and those who fund it in April 2016. At the time of writing in summer 2015, the only certainty is that there remains much uncertainty about the real impact of the changes.

We learned in July 2015 of Dorset County Council's decision to create a new company, in association with the unitary authorities in Bournemouth and Poole, to take on many of the County's responsibilities in the field of adult social care. This development helps to explain the difficulties we encountered in recent months in seeking clarification of the County's developing policies in this field. We continue to hope that the new arrangement signals the required new realism but there is as yet no firm evidence of that.

Also in July 2015, central government announced a three-year delay in the implementation of the care costs cap which had been put forward in its election manifesto as a centrepiece of policy on adult social care. This is yet more evidence that policy announcements remain ill thought through and that resources allocated in this field are far from adequate.

As a small player in the nation's care sector, we have yet to be convinced that the government has effectively settled the many issues surrounding the public sector's role in funding both domiciliary and residential care for those who clearly need it but are unable to fund it themselves.

This year we re-housed some administrative functions in the cottage adjacent to The Cedars, whose lease had been bought out in 2013. We have not yet embarked on major refurbishment of those premises and have not, therefore, commenced a capital fundraising drive for that purpose as had been foreshadowed last year. But this interim re-organisation allowed some improvements to our very limited staff facilities, and enabled us to return a former office to its earlier role as a resident's room. This will become available for occupation in the third quarter of 2015.

#### **How our activities deliver public benefit**

We describe above our main activities and who we help. All our charitable activities focus on the provision of sheltered accommodation and care for the benefit of aged persons who are in need in Shaftesbury and the surrounding area, and are undertaken to further our charitable purposes for the public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

#### **Investment policy**

Under the Memorandum and Articles of the Charity, the Trustees have the power to make any investments which they see fit. In the course of 2014, the Trustees interviewed several firms offering independent advice and decided to appoint Chestergate to manage a portion of the charity's financial assets. The amount and timing of the transfer of funds into their management will be settled later in the year.

#### **Financial Review**

The Trustees have recorded a net loss of £115,710 this year (2014 : surplus £177,857), after charging depreciation. The factors contributing to this situation are set out earlier in this report. As a consequence total funds carried forward fell to £2,214,275 (2014 : £2,329,985). The charity's freehold land and buildings, net of borrowings secured on them, represented £1,655,229 (2014 : £1,637,920) of this total. Of these funds, £416,956 (2014 : £526,695) were identified by the Trustees as "free reserves" as described below.

#### **Reserves policy**

The Trustees identify those funds which are unrestricted and neither committed nor invested in tangible fixed assets (net of long term loans). The aim is that these 'free reserves' should be broadly equivalent to three months running costs.

## **Cedars Castle Hill**

### **Trustees' Report**

The Trustees also aim to build up additional reserves when possible in order to contribute to individual capital projects to improve the charity's facilities in the light of changing and expanding needs for its services. When such projects are planned, specific fundraising campaigns are also undertaken. The Trustees commissioned a new condition survey of the charity's premises in 2014, in preparation for developing longer term plans for the optimum use of these assets in pursuit of our charitable objects.

#### **Principal funding**

The charity's principal funding sources for its overall annual running costs are residential fees for Castle Hill House and The Cedars. When major capital projects are planned, external grants are sought from a variety of sources.

#### **Disclosure of information to auditors**

To the knowledge and belief of the Trustees, there is no relevant information of which the auditors are not aware, and the Trustees have taken all the steps necessary to ensure that they are aware of any relevant information, and to establish that the company's auditors are aware of the information.

#### **Auditors**

A resolution will be proposed at the Annual General Meeting that Lanham & Francis be re-appointed auditors to the charity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

#### **Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 28 October 2015 and signed on its behalf by:

Mrs S D Jacson MBE  
Trustee

## **Cedars Castle Hill**

### **Trustees' Responsibilities in relation to the Financial Statements**

The trustees (who are also directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper 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 trustees are aware:

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

## **Independent Auditors' Report to the Trustees of Cedars Castle Hill**

We have audited the financial statements of Cedars Castle Hill for the year ended 31 March 2015, set out on pages 10 to 19. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent Auditors' Report to the Trustees of  
Cedars Castle Hill**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Lanham & Francis  
Registered Auditors

2 November 2015

Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

Lanham & Francis is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Cedars Castle Hill

### Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2015

	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
Note	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income	2	3,894	-	3,894
Investment income	3	1,662	-	1,662
Incoming resources from charitable activities				
	4	2,146,088	-	2,146,088
Total incoming resources		<u>2,151,644</u>	<u>-</u>	<u>2,151,644</u>
<b>Resources expended</b>				
Charitable activities	5	2,231,034	9,801	2,240,835
Governance costs	5	26,519	-	26,519
Total resources expended		<u>2,257,553</u>	<u>9,801</u>	<u>2,267,354</u>
Net (expenditure)/income before transfers		(105,909)	(9,801)	(115,710)
<b>Transfers</b>				
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>
Net movements in funds		(105,909)	(9,801)	(115,710)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,177,623</u>	<u>152,362</u>	<u>2,329,985</u>
Total funds carried forward		<u><u>2,071,714</u></u>	<u><u>142,561</u></u>	<u><u>2,214,275</u></u>

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

**Cedars Castle Hill (Registration number: 3913377)**

**Balance Sheet as at 31 March 2015**

		2015		2014	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		2,419,848		2,483,316
<b>Current assets</b>					
Stocks and work in progress		6,734		9,544	
Debtors	11	128,645		74,669	
Cash at bank and in hand		594,092		561,993	
		<u>729,471</u>		<u>646,206</u>	
<b>Creditors: Amounts falling due within one year</b>					
	12	<u>(310,044)</u>		<u>(174,537)</u>	
<b>Net current assets</b>			<u>419,427</u>		<u>471,669</u>
<b>Total assets less current liabilities</b>			2,839,275		2,954,985
<b>Creditors: Amounts falling due after more than one year</b>					
	13		<u>(625,000)</u>		<u>(625,000)</u>
<b>Net assets</b>			<u><u>2,214,275</u></u>		<u><u>2,329,985</u></u>
<b>The funds of the charity:</b>					
<b>Restricted funds</b>					
			142,561		152,362
<b>Unrestricted funds</b>					
Unrestricted income funds			<u>2,071,714</u>		<u>2,177,623</u>
<b>Total charity funds</b>			<u><u>2,214,275</u></u>		<u><u>2,329,985</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 28 October 2015 and signed on its behalf by:

Mrs S D Jacson MBE  
Trustee

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2015**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

##### **Fund accounting policy**

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 17.

##### **Incoming resources**

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Residential fees received represents the amounts derived from the provision of goods and services arising from the fulfilment of the charity's objects.

Donations are recognised when received. Donations received for the general purposes of the charity are credited to unrestricted reserves. Where donations are received for a specific purpose they are taken to the relevant restricted fund.

##### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

##### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources

##### **Fixed assets**

Individual fixed assets costing £0 or more are initially recorded at cost.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	25% reducing balance basis
Computer Equipment	25% reducing balance basis
Freehold Buildings	2% straight line basis

#### Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

#### Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

#### 2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Donations and legacies</b>				
Appeals and donations	3,894	-	3,894	43,800
	<u>3,894</u>	<u>-</u>	<u>3,894</u>	<u>43,800</u>

#### 3 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Interest on cash deposits	1,662	-	1,662	2,663
	<u>1,662</u>	<u>-</u>	<u>1,662</u>	<u>2,663</u>

#### 4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Residential income</b>				
Rental income	750	-	750	-
Residents' fees	2,145,338	-	2,145,338	2,114,853
	<u>2,146,088</u>	<u>-</u>	<u>2,146,088</u>	<u>2,114,853</u>

**Cedars Castle Hill**

**Notes to the Financial Statements for the Year Ended 31 March 2015**

..... continued

**5 Total resources expended**

	Residential income	Governance	Total
	£	£	£
<b>Direct costs</b>			
Cost of goods sold	176,767	-	176,767
Employment costs	1,630,467	-	1,630,467
Establishment costs	78,842	-	78,842
Repairs and maintenance	161,094	-	161,094
Office expenses	3,404	-	3,404
Printing, posting and stationery	14,379	-	14,379
Subscriptions and donations	12,211	-	12,211
Sundry and other costs	11,684	-	11,684
Travel and subsistence	1,539	-	1,539
Advertising and promotion	9,699	-	9,699
Accountancy fees	-	8,856	8,856
Auditors' remuneration	-	7,200	7,200
Legal and professional costs	1,312	10,463	11,775
Bad debt expense	20,792	-	20,792
Bank charges	2,948	-	2,948
Interest payable	7,362	-	7,362
Depreciation of tangible fixed assets	101,380	-	101,380
Loss on sale of fixed assets held for charity's own use	6,955	-	6,955
	<u>2,240,835</u>	<u>26,519</u>	<u>2,267,354</u>

**6 Trustees' remuneration and expenses**

No trustees received any remuneration or expenses during the year.

**7 Net (expenditure)/income**

Net (expenditure)/income is stated after charging:

	2015		2014	
	£	£	£	£
Auditors' remuneration - audit services		7,200		6,960
Loss on disposal of tangible fixed assets		6,955		5,649
Depreciation of tangible fixed assets		<u>101,380</u>		<u>107,206</u>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

#### 8 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Charitable activities	118	114
Administration	1	1
Trustees	9	10
	<u>128</u>	<u>125</u>

The aggregate payroll costs of these persons were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,583,865	1,388,180
Social security	2,120	-
Other pension costs	2,864	8,592
	<u>1,588,849</u>	<u>1,396,772</u>

#### *Senior employees*

During the year, defined contribution pension contributions on behalf of these staff amounted to £2,864 (2014 - £8,592).

#### 9 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

#### 10 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
As at 1 April 2014	2,886,414	523,001	3,409,415
Additions	8,409	36,458	44,867
Disposals	-	(80,704)	(80,704)
As at 31 March 2015	2,894,823	478,755	3,373,578
<b>Depreciation</b>			
As at 1 April 2014	559,297	366,802	926,099
Eliminated on disposals	-	(73,749)	(73,749)
Charge for the year	55,297	46,083	101,380
As at 31 March 2015	614,594	339,136	953,730
<b>Net book value</b>			
As at 31 March 2015	2,280,229	139,619	2,419,848
As at 31 March 2014	2,327,117	156,199	2,483,316

#### 11 Debtors

	2015 £	2014 £
Trade debtors	104,059	52,503
Other debtors	763	526
Prepayments and accrued income	23,823	21,640
	128,645	74,669

#### 12 Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	-	64,197
Trade creditors	67,828	47,638
Taxation and social security	44,800	24,171
Other creditors	122,731	14,288
Accruals and deferred income	74,685	24,243
	310,044	174,537

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

#### 13 Creditors: Amounts falling due after more than one year

	2015	2014
	£	£
Other creditors	<u>625,000</u>	<u>625,000</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2015	2014
	£	£
Other creditors	<u>625,000</u>	<u>625,000</u>

#### 14 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### 15 Pension scheme

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,864 (2014 - £8,592).

Contributions totalling £2,743 (2014 - £1,463) were payable to the scheme at the end of the period and are included in creditors.

#### 16 Related parties

##### Controlling entity

The charity is controlled by the trustees who are all directors of the company.

##### Related party transactions

A trustee Mr R J Humphries, who resigned on 4 July 2014, is also a trustee of the William Williams Trust from whom the charity have a loan on which interest is paid of 3% per annum. The balance at the date of his resignation was £425,000 (2014:£425,000)

A trustee Mr A T Morgan, who resigned on 4 July 2014, is also a shareholder of the Wessex Group who trade with the charity. This relationship has been fully disclosed and all transactions are on normal trading terms. During the period to his resignation £5,510 of services were acquired from the Wessex Group and the charity owed £2,974 at that date.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

#### 17 Analysis of funds

	At 1 April 2014	Incoming resources	Resources expended	Transfers	At 31 March 2015
	£	£	£	£	£
<b>Designated Funds</b>					
The Cedars	524,923	-	-	(524,923)	-
Castle Hill House	1,652,700	-	-	(1,652,700)	-
	<u>2,177,623</u>	<u>-</u>	<u>-</u>	<u>(2,177,623)</u>	<u>-</u>
<b>General Funds</b>					
Unrestricted income fund	-	2,151,644	(2,257,553)	2,177,623	2,071,714
<b>Restricted Funds</b>					
Conservatory - Castle Hill House	66,597	-	(1,450)	-	65,147
Dignity in Care - The Cedars	5,269	-	(122)	-	5,147
Dignity in Care - Castle Hill House	5,925	-	(129)	-	5,796
Sun Room - The Cedars	18,400	-	(400)	-	18,000
Extension - The Cedars	23,500	-	(500)	-	23,000
Extension - The Cedars	23,500	-	(500)	-	23,000
Ackroyd Trust	9,171	-	(6,700)	-	2,471
	<u>152,362</u>	<u>-</u>	<u>(9,801)</u>	<u>-</u>	<u>142,561</u>
	<u>2,329,985</u>	<u>2,151,644</u>	<u>(2,267,354)</u>	<u>-</u>	<u>2,214,275</u>

#### Designated funds

Since neither The Cedars nor The Castle Hill House fund was restricted in any way, the Trustees have decided to combine the two funds into a single unrestricted income fund. The funds comprise income from the provision of sheltered accommodation and care to the residents of the respective houses and donations received. Note 18 provides a breakdown of the Charity's net assets by fund.

#### Restricted funds

##### Conservatory fund - Castle Hill House

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations have been fully utilised for this purpose and the fund is now being written off at a rate of 2% per annum, reflecting the depreciation charged on the asset acquired

##### Dignity in Care - The Cedars

This arose from a capital grant from Dignity in Care for the sole purpose of improving the outside decking and patio area for residents. The grant was fully utilised within the time restriction placed on it and the fund is now being written off at a rate of 2% per annum, reflecting the depreciation charged on the asset acquired.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

#### Dignity in Care - Castle Hill House

This arose from a capital grant from Dignity in Care for the sole purpose of improving the outside decking and patio area for residents. The grant was fully utilised within the time restriction placed on it and the fund is now being written off at a rate of 2% per annum, reflecting the depreciation charged on the asset acquired.

#### Sun Room - The Cedars

A donation was received to help towards the creation of the sun room at The Cedars. The donation has been fully utilised and the fund is now being written off at a rate of 2% per annum.

#### Extension - The Cedars

Two grants were received in respect of the building of the extension at The Cedars. The project is now complete, so the funds are now being written off at a rate of 2% per annum reflecting the depreciation charged on the asset acquired.

#### Akroyd Trust

During the year a donation of £10,000 was received £5,000 for each house to be used for residents activities.

### 18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	£	£	£	£
Tangible assets	2,279,758	140,090	2,419,848	2,483,316
Current assets	727,000	2,471	729,471	646,206
Creditors: Amounts falling due within one year	(310,044)	-	(310,044)	(174,537)
Creditors: Amounts falling due after more than one year	(625,000)	-	(625,000)	(625,000)
Net assets	<u>2,071,714</u>	<u>142,561</u>	<u>2,214,275</u>	<u>2,329,985</u>