



Gospel Standard Bethesda Fund

Founded 1944

74th ANNUAL REPORT

for the year ended

31 DECEMBER 2018

See separate booklet for Financial Statements for year ended 31 December 2018

Gospel Standard Bethesda Fund

Annual General Meeting

Notice is hereby given that the
12th Annual General Meeting
will be held, if the Lord will, at
Clifton Chapel, Broad Street, Clifton, Shefford, Beds. SG17 5RJ
on Friday, 12 April 2019 at 1:45 p.m.

Agenda

1. Chairman to open the meeting.
2. To consider and approve the minutes of the AGM held on 13 April 2018.
3. General Manager to introduce the Annual Report and Financial Statements for the year ended 31 December 2018.
4. To approve and adopt the Annual Report and Financial Statements for the year ended 31 December 2018.
5. General Manager to announce the result of the ballot for election of members of the Bethesda Fund Committee.

CONTENTS

Reference and Administrative information4

Trustees’ Report for 2018.....5

Annual Reports from the Homes.....19

Annual Reports from the Flatlets.....25

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity: Gospel Standard Bethesda Fund
Charity Number: 209376

Trustees serving during the financial year and since the year end:
(Also known as the Bethesda Fund Committee)

Mr. H. Mercer (Chairman)	Mr. A. Rayner
Mr. M.D. Ridout (Vice-Chairman)	Mr. R.A. Saunders (Appointed 01/10/19)
Mr. M.G. Bailey (Resigned 01/08/18)	Mr. T.H.W. Scott
Mr. A.J. Collins	Mr. R.G. Wells (Resigned 03/01/18)
Mr. S.B. Cottingham	Mr. M.O. Wiltshire
Mr. P.J. Pocock (Appointed 01/10/19)	

(Mr. H. Mercer relinquished the role of Chairman on 31/01/19)

Custodian Trustee: The Gospel Standard Trust,
50 Broadway, Westminster, London SW1H 0BL

General Manager: Mr. A.J.H. Topping
Address of the Principal Office of the Charity
Bethesda General Office
12(b) Roundwood Lane
Harpenden, Herts.
AL5 3BZ
Telephone: 01582 460522 Fax: 01582 460790
Email: adriantopping@gsbf.uk

Connected Charity

The Piggott Charity is a “connected Charity” under the control of the Trustees of the Gospel Standard Bethesda Fund. It exists to help Residents of the Bethesda Homes who are in financial need to pay the cost of their care. During the year a general grant of £9,000 was received from The Piggott Charity. Further information can be obtained from the General Manager.

Auditors: Mazars LLP, Times House, Throwley Way, Sutton, Surrey,
SM1 4JQ

Bankers: Lloyds Bank plc, 60 George Street, Luton, LU1 2BB

Solicitors: Bircham Dyson Bell LLP, 50 Broadway, Westminster,
London, SW1H 0BL

TRUSTEES' REPORT FOR 2018

Introduction

Once again, we have pleasure in presenting to our subscribers, friends and supporters the annual report.

As in previous years, for the Bethesda Fund Committee, 2018 has been one of reflection and deep concern as there continues to be much to consider and pray over. The many challenges facing the Charity such as the changing needs of the people who use the service, our ageing properties and ever increasing financial pressures which tend to work against every measure taken to maintain financial efficiency. The Committee, however, continues to seek solutions to these issues.

Objective of Charity

The purpose of the Gospel Standard Bethesda Fund is to provide accommodation and personal care and support to adults aged 65 and over who are members of Gospel Standard Strict and Particular Baptist chapels, or who regularly attend Gospel Standard chapels.

How this objective is met

This service is provided to people with a wide range of personal care needs, including those living with dementia and those with nursing needs who can be treated in our Homes by district nurses. The types of service offered are; permanent residency, short stays for breaks or respite care and day care. In every case a detailed care plan is prepared with the resident to ensure that a personalised service suitable to their needs is provided. This is then regularly reviewed to ensure that changing requirements are met. Permanent Residents of the Homes who are unable to meet the full cost of the fees are assisted from the Underfunded Residents Fund and, for those requiring it, assistance is provided for short stays from the Short Stay Fund.

The Gospel Standard Bethesda Fund was set up in 1944 with the specific purpose of providing a Christian Home for the elderly and infirm from the Gospel Standard group of Churches. The manner and method of the provision of this accommodation and care is therefore designed to reflect the need to provide a spiritual as well as homely atmosphere for likeminded people. In line with this ethos, life in the Bethesda Homes centres around daily Bible reading and prayer, chapel services which can be attended in person or listened to via the relay into the Homes, and the prayer meetings and hymn signing evenings organised in the Homes.

The three Bethesda Homes are rooted in the communities from which the people using our services come. This means that people coming into our Homes will often be living among lifelong friends and, in many cases, relatives as well. The management and staff of the Homes (some of whom are also from the same background) are supported by volunteers drawn from local Gospel Standard chapels. This means that those living in the Homes can remain in contact with the people they knew before moving in.

It is also expected that the words, actions and conduct of all Residents and staff will be consistent with Christian principles to ensure a pleasant place to live and work.

The Committee regularly reassesses the services provided in order to ensure that the changing needs of the beneficiaries of the Charity continue to be met.

Governing Document

The Gospel Standard Bethesda Fund is an unincorporated charitable trust, first registered as a Charity in 1944. It now operates under a Charity Commission scheme which came into effect on 15 June 1999, amended by resolution on 6 January 2003 and 5 October 2007. The scheme is a fully regulating scheme which replaces the former trusts of the Charity.

Constitution and Organisational Structure

Under the scheme as amended, the Committee appoints members to the Bethesda Fund Committee, and new appointees submit to election by the subscribers at the next Annual General Meeting following the appointment. Members of the Committee offer themselves for re-election each year at the Annual General Meeting. In this way the subscribers have the power to re-elect individually every Committee member once every three years.

The members of the Bethesda Fund Committee are the Trustees of the Charity, and with them rests the overall responsibility for running and administering the Charity. The Charity Commission scheme provides for the appointment of a minimum of six committee members up to a maximum of twelve; there are currently nine members following the retirement of Mr. Richard Wells and Mr. Michael Bailey and the appointment of Mr. Philip Pocock and Mr. Ray Saunders.

The Committee seeks to appoint new members who offer relevant skills and experience in the financial, accounting, managerial or business spheres. On appointment, they are introduced to the duties and responsibilities of membership of the Committee and are encouraged to attend relevant courses offering appropriate training such as ‘Safeguarding Adults at Risk’.

The General Manager has the responsibility for ensuring that the Bethesda Homes are managed effectively and in accordance with legal and regulatory requirements.

Each of the Bethesda Homes is run by a Home Manager and a Deputy Home Manager (except for the Studley Home which does not have a deputy), who are assisted by administrative staff.

Public Benefit

As a charitable organisation, Bethesda is required to demonstrate that there is an identifiable benefit to a section of the general public as a direct result of its activities in pursuit of its charitable aims. To that end the Charity's Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

Reserves Policy

The Charity has a reserves policy which is reviewed at least annually by the Trustees.

We consider reserves as that part of our general funds which do not need to be spent immediately and which are not committed or designated. They are the resources we have or can make available to spend on any of our objectives once we have met our known commitments and covered any other planned expenditure.

The Trustees consider that the Charity should endeavour to hold, as a minimum, free reserves amounting to the “Total expenditure” in one year. At this level the Trustees consider that the current activities of the Charity would be able to continue in the event of a significant drop in funding.

The free reserves at the year end amount to £2,264,813. This is 17.8% more than the total expenditure for the year of £1,947,557. There is no contractual commitment to expenditure for planned works in 2019.

Going Concern

The Financial Statements (shown in a separate booklet) have been prepared on a going concern basis. The Trustees assess whether the use of this basis is appropriate and have identified no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of 12 months from the date of approval of the Financial Statements.

Financial review

As with previous years, the full Financial Statements have been published in a separate booklet.

The Statement of Financial Activities shows that total income was £1,796,670 compared with £1,878,094 in the previous year. The decrease is due to lower legacy income. The reduction in legacy income has been offset to some degree by higher income from resident's fees. Investment income has been fractionally higher than last year but continues to be poor overall in line with lower interest rates generally. Donations and chapel collections have continued to fall this year, being down by £3,113. We remain truly thankful to our congregations and personal supporters for the regular giving to Bethesda.

Four legacies were received during the year amounting to £112,301. This is a lower figure than the previous year when the total was £266,101. Income from resident's fees was £1,541,864 compared with £1,469,910 in 2017 due to a range of factors including higher occupancy in the first part of the year. Subsidies paid to meet shortfalls in funding by Social Services amounted to £47,517 (2017: £55,089) which was matched by a transfer from the designated fund specifically set up to assist Residents who are unable to meet the full cost of the fees. The shortfalls in funding have also been helped by a grant of £9,000 (2017: £9,000) from our connected charity, The Piggott Charity. Assistance towards the fees of short-stay Residents amounted to £500 (2017: £1,175) and this was provided from a restricted fund.

Employment costs have increased from £1,345,085 in 2017 to £1,451,667 in the current year. The increase in employment costs arises from a 4.5% increase to wages in line with the requirements of the National Living Wage, and higher than usual agency costs arising from a need to cover increased occupancy and care needs at the Studley Home for a period at the beginning of the year. Further information on employment costs can be found in Note 13 to the Financial Statements.

The cost of repairs and renewals at the three Bethesda Homes remains high at £90,555, but is down on the previous year when expenditure was £114,725. The expenditure on building maintenance is in line with the charity's policy on maintaining its properties in good condition and meeting all safety and registration requirements. Occasionally, heavy and unexpected repairs can suddenly become necessary.

The Bethesda Homes

A summary of the financial results for each of the Homes is given below.

	<i>Brighton</i>	<i>Harpenden</i>	<i>Studley</i>	<i>Total</i>
	£	£	£	£
Residents' fees	595,602	606,154	340,108	1,541,864
Other income	18,331	13,131	2,765	34,227
Total income	613,933	619,285	342,873	1,576,091
Employment and agency costs	522,858	527,052	335,347	1,385,257
Depreciation charges	8,974	14,252	7,175	30,401
Hardware, cleaning and laundry	7,238	6,549	3,667	17,454
Insurance	9,088	10,154	4,618	23,860
Motor and travel	1,428	3,907	1,170	6,505
Power	13,773	15,414	9,137	38,324
Provisions	28,107	28,477	11,154	67,738
Registration fees	3,348	3,348	1,674	8,370
Repairs and renewals	28,925	53,447	8,182	90,554
Staff training	2,054	4,604	5,981	12,639
Telephone, relay and internet	3,115	2,080	2,416	7,611
Water services	5,261	4,456	3,396	13,113
Council tax	1,297	3,029	1,205	5,531
Garden expenses	462	8,175	4,493	13,130
Medical supplies	2,789	1,649	3,599	8,037
Postage & stationery	1,621	1,729	983	4,333
Waste collection	3,378	1,963	113	5,454
Professional services	1,645	1,645	1,645	4,935
Sundry expenses	5,139	4,919	1,961	12,019
Central office support costs	42,506	48,302	25,117	115,925
Other costs	3,828	3,435	4,458	11,721
Total expenditure	696,834	748,586	437,491	1,882,911
(Deficit) for year	(£82,901)	(£129,301)	(£94,618)	(£306,820)

The overall deficit in running the three Homes of £306,820 is higher than the previous year when the deficit was £267,222, but still lower than 2016 when the deficit was £350,593.

Occupancy levels have a large bearing on the financial results of running the Homes and the overall reduction on last year has had an impact. Whilst the overall occupancy for the year taken as an average is not substantially lower than the last two years, by December of 2018 the figure had reduced to just 64% (58% not including short stay residents) occupancy.

	2018	2017	2016	2015	2014
Brighton (22 beds)	74%	72%	80%	85%	88%
Harpenden (25 beds)	70%	77%	71%	58%	60%
Studley (13 beds)	74%	81%	72%	66%	63%
Overall	73%	76%	75%	70%	71%

The Bethesda Flatlets

At Harpenden, of the three flatlets, two were occupied for the entire year, and the other was occupied by a member of staff for part of the year. At Redhill, of the six flatlets, only one of these is now occupied by an elderly resident. However, several of the flatlets have been occupied by other people, thus producing additional income. The Harpenden Flatlets show a deficit of £9,600 and the Redhill Flatlets a surplus of £1,431 as shown in the summary below.

	<i>Harpenden</i>	<i>Redhill</i>	<i>Total</i>
	£	£	£
Residents fees	10,912	26,777	37,689
Other income	0	85	85
Total income	10,912	26,862	37,774
Cleaning, windows and waste	252	1,274	1,526
Council tax on unoccupied properties	1,517	847	2,364
Depreciation	4,287	3,325	7,612
Garden maintenance	1,794	806	2,600
Insurance	711	1,421	2,132
Power	2,122	3,004	5,126
Repairs and renewals	5,261	4,517	9,778
Central office support costs	4,290	8,580	12,870
Other costs	278	1,658	1,936
Total expenditure	20,512	25,432	45,944
Surplus/(Deficit) for the year	(£9,600)	£1,430	(£8,170)

Overall financial results

Overall, the operating deficit for the year was £150,887 compared to a surplus the previous year of £37,521. Every effort has been made, and will continue to be made, to reduce the running costs of the Homes, whilst endeavouring to maintain high standards of care.

The balance of unrestricted funds has reduced somewhat, being £3,617,011 at the end of 2017 and £3,377,850 at the end of 2018. Restricted funds increased from £826,774 at the end of 2017 to £915,048 at the end of 2018. As a result, total funds (including properties) reduced from £4,443,785 at the end of 2017 to £4,292,898 at the end of 2018. Further details can be found in Notes 21 - 23.

Achievements and Outcome of Activities

Background

The Charity was originally established to provide residential care homes. For many years this provision worked well as the majority of our people using our service had relatively low care needs for most of their time with us. There have of course always been a few people with more complex needs, although these tended to be a minority. However, in recent years there have been substantial changes that have dictated both when and why people come into residential care homes. Foremost among these are that more people own their own homes, along with increased domiciliary healthcare which allow people to remain independent longer.

These factors mean that applicants are now coming into our Homes at a more advanced age than used to be the case; the average age of admission is now 87. In addition, people's reasons for coming into a care home appear to have changed. Now it is often because they can no longer manage at home, even with support, and it is very marked that a high proportion of our admissions in the past few years have been straight from hospital or to remove the necessity of a hospital admission. Consequently, people are tending to come into our Homes with much more complex care needs than used to be the case. We do of course still have some people come to Bethesda with low care needs, but this is now very unusual.

Management of the Homes

Following the retirement of Mrs. Rachel Honeysett from the management of the Studley Home at the end of 2017, the Home was managed for an interim period of five months by Mrs. Trudy Taylor. On the 1 June 2018 the then Deputy Manager, Mrs. Sammy O'Dwyer, was appointed as the new permanent manager of the Home. Due to the low occupancy in the Home it was decided not to fill the Deputy position for the time being.

Dementia

As has been previously reported, Bethesda has increasing numbers of people living with Dementia who wish to use our service. These are those that develop symptoms after coming to us, and those that have them prior to coming to a home.

Building on the successful development and implementation of a dementia service (as reported last year) at the Brighton Home steps have been taken, during 2018, to replicate this approach in the Harpenden Home. This being partly driven by the need to take steps to meet the needs of those in the Home living with dementia. Consequently, the Home Manager, Debbie Scott has

commenced specialist dementia training and will be leading her team in implementing new approaches in the way care is offered over the coming months.

Other Complex Care Needs

Bethesda continues to offer a service to new applicants with nursing needs where we have the support of the local NHS District Nurses. However, it is important to bear in mind that Bethesda's resources are limited and that each application needs to be assessed on its own merits. If there are already a number of people with complex care needs in a person's chosen Home we may not be able to offer a place, due to limited places for this type of service. In addition, we may be required to consult the local district nurses before admitting people with pre-existing nursing needs, and if they decline to assist, as has happened twice during 2018, we would not be able to offer a place. The concern is that as people are now able to stay in their own homes so much longer that by the time their needs are acute, and they need the support of a care home, it may be too late to come into a Bethesda Home. It is hoped that people will bear this in mind when considering the most suitable time for them to come into Bethesda.

Quality and effectiveness of the Service

We regularly review the quality and effectiveness of our service, taking into account the views of Residents, their relatives and friends, visiting professionals and staff. It is pleasing to report that feedback is very positive about the quality of service offered.

The level of regulation the Homes face requires that they follow a large number of processes and have to keep detailed records which has meant that we have had to look at new ways of working. It is acknowledged that the level of care provided in our Homes is very high, and there is a fear that in complying with these regulations there may be a reduction in the time available to spend with the people we care for. It has therefore been decided to adopt an electronic care planning system on a pilot basis in the Brighton Home. This will allow us to increase our level of record keeping and thereby comply with regulations, without reducing the time available to spend with Residents.

Inspections

The Brighton Home had no inspections from regulatory authorities during 2018, however at the instigation of the local authority they did have a number of visits from other local home providers to see what has been done in the Home both in the communal areas and with systems used to improve the service for those living with dementia.

The Harpenden Home had a number of inspections during the year, including one from Hertfordshire County Council, the local Fire Officer and the Care Quality Commission.

Whilst the report from the Care Quality Commission has not yet been received, the outcomes of the Hertfordshire County Council and fire inspections resulted in a great deal of work and additional expense for the Home. However, the requirements from these inspections have been satisfactorily met and the Home continues to provide an excellent service for those living there.

The Studley Home had an inspection from the Care Quality Commission in January, and the Home achieved an overall 'good' rating. The point was made in the report that the Home required a Registered Manager, which was why there was a rating of 'requires improvement' under the 'well led' heading. However, as the Home had an interim manager in place and active efforts were being made to recruit a permanent replacement nothing further was said. It was expected that the new Home Manager would achieve registered status early in 2019 and since the end of the year this has taken place.

Buildings

We previously reported on the limitations of the buildings to accommodate the changing nature of our services and the current needs of residents. The Committee continues to explore a range of measures for each Home with the aim of finding ways to improve the existing facilities.

Funding and Occupancy

The provision of care in the Bethesda Homes is currently funded from income received from self-funded Residents, local authority funding and supplementary payments received from relatives. However, underfunding by local authorities and low occupancy mean we must also draw on our reserves to cover costs. Although these remain strong in the short to medium term, the ability to remain financially viable is a matter of considerable concern and a range of measures have been considered how the Charity could achieve this.

We are a charity which seeks to provide care for the Lord's elderly people at a reasonable cost. This objective has been achieved in the past with the help of donations and legacies for which we are very thankful, and we look to the Lord to continue to provide for us in the future.

Although there have been four deaths in the Brighton Home, we have welcomed three new Residents and therefore occupancy reduced only slightly from seventeen at the beginning of the year to sixteen by the end. Occupancy in the Harpenden Home has reduced considerably, starting the year with twenty-one people in residence, but reducing to thirteen by the end of the year.

This is due to nine deaths in the Home and only one new Resident coming in. Occupancy in the Studley Home at the beginning of the year was ten, this increased to twelve for short while, and then reduced to eight by the end of the year. Since the end of the year one new resident has come in.

Sadly, there have been a total of twenty deaths across the three Homes this year, which is unprecedented in recent times.

The normal pattern of occupancy in terms of category of care in the Homes is 65% – 75% ordinary rate with the remainder being made up intermediate and higher rates. However, this year has seen a complete change in this pattern of occupancy in the Harpenden Home, with the number of people on the ordinary rate of care reducing to only 15% for a time. This creates a situation where the costs of providing the care are high, but the total fee income is low due to occupancy levels.

There has been good use of the short stay facility in all three Homes, with some limited use of the day care facility.

Staff and Volunteers

We continue to be very thankful for the work and commitment of our staff, upon whom we depend to fulfil the purpose and aims of Bethesda. Many of our staff go the second and third mile for the people they care for, coming back outside their usual working hours to spend time with the Residents, reading to them, playing musical instruments and organising activities.

The importance of strong and effective leadership in our Homes also cannot be underestimated. The CQC themselves comment on how essential this is in the provision of care and support that is safe and effective, and we wish to particularly thank our Home Managers for the work that they do.

We would also wish to reiterate, as in previous years, our appreciation of the many volunteers who assist in a variety of different ways in the Homes; with their sacrifice of time and effort the wellbeing of the Residents is greatly enhanced. The contribution of the volunteers and supporters makes a real difference to the lives of the Residents and we would encourage anyone who feels that they have something to offer to volunteer.

Plans for the Future

It is hoped to move forward with the plans identified in the previous report regarding the additional lounge at Brighton and the conversion of the managers flat at Studley

Trustees' responsibilities in relation to the financial statements

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity

at the year end and of its income and expenditure during that year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are required to keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Charity's governing documents. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk management policy

The Trustees review on a regular basis the major risks to which the Charity is exposed. A strengths, weaknesses, opportunities and threats (SWOT) analysis was carried out at the beginning of the year and agreed, and a risks register is maintained, and on the basis of this review a risk management policy drawn up. The Trustees are satisfied that systems and procedures are in place to mitigate exposure to significant risks. The Trustees believe that maintaining unrestricted reserves at the level stated above will provide sufficient resources in the event of adverse conditions.

The Charity's policy reflects the principle that effective risk management is the responsibility of all levels of management and staff. The review of risks within the Bethesda Homes is on-going with the encouragement of timely reporting by staff on quality issues and adverse occurrences.

The major risks that Bethesda face are financial and relate largely to under occupation of the Homes and to the low level of care fees compared to fixed costs.

The decreasing number of elderly people attending Gospel Standard chapels is directly impacting on the level of demand for Bethesda services. Whilst the rules covering admissions are regularly reviewed it is considered essential that the original ethos of the Charity is maintained and there are no plans to widen the scope of eligibility for admission to the Homes.

The low levels of occupancy in the Homes compared with the high level of fixed costs in running the Homes indicates that high levels of occupation are essential to cover those fixed costs.

The low occupancy of the Homes puts dependence on Bethesda's financial reserves in order to fund the current high standards of care provided. Whilst still strong there is a risk that these reserves will be substantially depleted.

Another risk is the ageing of the facilities in the Homes and the buildings themselves and a programme of refurbishment and renewal is in progress. This obviously entails considerable expense and this is being managed on a prioritised basis.

Investment Policy

At the beginning of the year the Trustees reviewed the Charity's investment policy setting out Bethesda's investment objectives. No changes were made to the policy.

There are no restrictions on the Charity's power to invest both restricted and unrestricted funds. In the past, the Trustees have considered only investments classified as low risk. In practice, this means that surplus funds are maintained in short-term deposit accounts attracting competitive rates of interest with reputable banks, building societies or common deposit funds. Details of the Charity's deposits can be found in Note 19 to the financial statements.

The Trustees will continue to closely monitor the Charity's investments in these difficult times.

Policy Statement on Paying Staff

The Gospel Standard Bethesda Fund ('The Bethesda Fund') is committed to ensuring that we pay and reward our staff fairly and in a way which ensures we attract and retain those with the right skills to ensure that we deliver our charitable objectives.

In accordance with the SORP we:-

- Disclose the number of staff in receipt of more than £60,000 per annum and above (in bands of £10,000)
- Disclose the provision of pensions and other benefits

The Bethesda Fund Committee ('The Committee') meets annually to determine the rates of pay for all staff. The General Manager is in attendance for the meeting (leaving for the discussion regarding the General Manager's remuneration).

The main responsibilities of the Committee in respect of determining of the rates pay are to:-

- review the level of the Bethesda Fund salaries and wages compared to an agreed independent market benchmarking tool and make sure

changes, where appropriate to ensure that salaries and wages remain competitive

- determine the remuneration package of the General Manager, Home Managers and Deputy Managers
- approve the annual percentage increase in the rates of pay for all staff (which can be zero) taking into account CPI as at 31 December for the previous year.
- approve any consolidated pay awards and staff salary increases outside of the annual review process as recommended from time to time by the General Manager.
- determine pension arrangements and
- ensure that contractual terms on termination of employment are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

In determining the Bethesda Fund's remuneration policy the Committee takes into account all factors which are relevant. The appropriateness of the remuneration policy is reviewed annually ensuring the Bethesda Fund remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower – medium point within a band, providing scope to reward excellence. We pay at or above the national living wage for all our staff.

Delivery of the Bethesda Fund's charitable vision and purpose is to a large degree dependent on our staff which is the largest single element of charitable expenditure. In 2018 the Bethesda Fund awarded hourly paid staff a cost of living increase of 4.5% in line with the change to the National Living Wage and officers an inflationary increase of 3% in line with the CPI.

Conclusion

The focus of Bethesda continues to be on the Residents in the Homes, and every effort is made to ensure that they are kept safe and well cared for in a homely and Christian atmosphere. It is felt that, with the Lord's blessing and help, this has been achieved.

On behalf of the Trustees

A handwritten signature in dark ink, appearing to read 'M D Ridout', with a horizontal line underneath.

M. Ridout, Chairman

15 February 2019

Notes:

ANNUAL REPORTS FROM THE HOMES

Brighton and Hove Bethesda Home



Home Manager: Miss Sarah Williamson
Deputy Home Manager: Mrs. Vivita Torres
Administrative Assistant: Mrs. Jackie Funnell
Home Chairman: Mr. M. Ridout

Residents as at 31 December 2018

Mr. P. Cornwall	Mr. P. Drury	Mrs. I. Ford
Miss M.V.G. Haddow	Mrs. L. Hills	Mrs. M. Hills
Miss S. J. Holman	Mrs. R. Mercer	Mrs. K.R. Payne
Mrs. R.M. Poole	Mrs. E. Snell	Mrs. B. Stewart
Mrs. G. Walder	Mr. K. Warren	Miss B.M. Wickens
Mrs. M.M. Woodhams		

We desire to acknowledge and thank the Lord for His help again through another year, in supplying our every need.

Since the beginning of 2018, three new permanent Residents have entered the Home, Mr. Norman Hills, Mrs. Margaret Hills and Mr. Kenneth Warren. There were nine short stay Residents during the year, all benefiting from the rest and change. Four Residents passed away during the year Mrs. Irene Guest, Mrs. Winifred Hickman, Mr. Norman Hills and Mrs. Amelia "Ruth" Woodhams they are all lovingly missed.

Our staff team are continuing with regular training sessions with the NHS dementia in-reach team which is proving beneficial to everyone living in the Home. In the new year we hope to implement electronic care planning. This is an exciting step forward in care planning for the Home and it is expected to assist the staff, meaning less paperwork and more time with the Residents.

We would like to express our gratitude to Mr. Sam Cottingham who has undertaken a number of projects in the garden, including putting up new gates to the carpark. We are also grateful to Mr. Paul Hanks and Mr. Gordon Dadswell for their help with decorating the corridors, which have now been completed. The lounge has also been decorated this year, we would like to express our thanks to Mrs. Betty Fenner-Hills for her help with the wallpapering.

Prayer Meetings were once again arranged by the Home Support Group during the year, led by local Chapels.

The Residents have enjoyed a number of outings again this year. This included a picnic at Sheffield Park and a cream tea at the home of James and Joanna Pearce. The Residents have enjoyed BBQ's in the garden during the Summer and a Christmas lunch and shopping trip to Southdown's Garden Centre. We were pleased to once again welcome Mill Cottage Farm experience and the Residents enjoyed being able to hold some of the smaller animals.

Mrs. Ruby Poole celebrated her 100th Birthday in October and she enjoyed the celebrations held in the Home.

The usual coffee morning took place in November, which was well attended and raised in excess of £2,500, which is to be put towards a new relay system.

Eastbourne Sunday School visited again this year and sang some Christmas Hymns and Mr. Stephen Hyde conducted the usual Christmas Service held at the Home.

Our Craft team of Mrs. Joanna Pearce, Mrs. Esther Hickman and Mrs. Sheila Main organise the monthly craft mornings, including cooking with the Residents and we are thankful to them all for their help.

We are also grateful to Paul, Gill and Ed Hanks who hold monthly hymn singing afternoons for the Residents and Gill Evans who holds regular gentle exercise sessions.

We hope and trust the Lord will continue to supply our needs in the coming year.

Harpenden Bethesda Home



Home Manager: Mrs. Debbie Scott
Deputy Home Manager: Miss Janet House
Administrative Assistant: Mrs. Ruth Janes/Mrs. Esther Green
Home Chairman: Mr. Trevor Scott

Residents as at 31 December 2018

Mrs. J. Baker	Mr. J. Barker	Mrs. M. Brooks
Mr. & Mrs. D. Crowter	Miss R. Fuller	Miss D.C. Gibb
Mrs. S. Haddow	Mrs. J.M. Harrison	Mrs. B. Kingham
Mrs. M. Ruse	Mrs. P.H. Watts	Mrs. A. Wells

We wish to acknowledge with thankfulness the Lord's goodness and mercy in providing for all our needs throughout another year.

In May we were pleased to welcome Mrs. Joyce Baker of Haynes as a new Resident in our Home and there have been a number of people coming in for respite care, including Miss Iris Barnes of Attleborough, Mr. Chivers of South Morton, Mr. & Mrs. Bailey of Tenterden and Mr. and Mrs. David Goodge of Oakington.

Over the year, we have been very sad to lose nine residents who passed away; Mrs. P. Warboys, Mr. D. Relf, Mrs. M. Guest, Mrs. D. Barker, Mrs. M. Bradley, Miss F. Curd, Mr. A. Daniels, Mrs. R. Hare and Mr. J. Brooks.

There have been a number of changes to staffing in the Home during the year, including the addition of Mary McRoberts, Roxanne Seymour, Nicky Shah and Rhoda Topping in a variety of caring and domestic roles. Lucie Baker, Elysia Parish and Emma Wigley have helped out as carers on part time basis on

and off during the year, and we have been very grateful to our Dutch friends Jenneke Campagner, Jacoline Versprille and Anne Marie van de Woestijne who each helped us for six months, and have whom since returned to Holland. Two members of staff left during the year, Debbie Cox who worked as a laundry assistant for eight years before leaving to pursue a new career, and Debbie Rigby who worked as a carer before moving away.

We do especially thank all our staff, both past and present, for their dedication and hard work on behalf of our Residents.

Thanks to the help and organisation of our Home Support Group the residents have enjoyed several outings and events during 2018. These outings have included a picnic at Wrest Park and a trip to the Stockwood Discovery centre in Luton. A coffee morning was held at the home during February and a Cream tea afternoon in early September, both of which were much by the residents and their friends and family.

The Residents were invited by Mr. and Mrs. Lawson to a barbecue at their home in Clifton, during the summer and to a complimentary afternoon tea at Luton Hoo Hotel, both of which were much enjoyed by those residents able to go.

Other events have included musical afternoons on various occasions throughout the year and in December children from Bethel Sunday School came to visit and sing Christmas hymns with the residents.

Prayer meetings and hymn singing evenings have been arranged throughout the year and a regular activities programme has also been established by the Home Support Group for the benefit of the residents. We are very grateful for all their help.

Studley Bethesda Home



Home Manager: Mrs. Sammy O'Dwyer
Home Administrator: Mrs. Emma Trafford
Local Secretary & Home
Chairman: Mr. Henry Mercer

Residents as at 31 December 2018

Mr. & Mrs. J. Burrows	Mrs. M. Julian	Mrs. J. Kinderman
Miss P.M.R. Hunt	Mrs. R.D Moore	Mrs. H.E. Painter
Mr. H.A. Wallis		

We give thanks to the Lord for maintaining and providing for us during another year.

At the beginning of the year the Home was well occupied with ten Residents, increasing for brief time to twelve, before declining gradually over the year to eight. We have been pleased to welcome Mrs. Jill Kinderman, Miss Marion Julian and Mrs. Damaris Moore as new Residents to our Home, but were sad to lose Mrs. Olive Perks, Mrs. Kathleen Cooper, Mrs. Freda Tugwell, Mr. Kenneth Evens, Mr. Arthur Wallis, Miss Margaret Hole and Mr. John Lee, a total of seven Residents during the year. We feel for those that have lost their loved ones and for the staff who so lovingly cared for them.

We have been able to provide short stay care to a number of people during the year who benefited from the rest and change, and we continue to provide day care as required.

Following the retirement of Mrs. Rachel Honeysett, Mrs. Trudy Taylor kindly ran the Home for an interim period whilst we looked for a permanent

replacement, and we are grateful to her for her help with this and we wish her well for the future. We are thankful that Mrs. Sammy O'Dwyer felt able to take over the permanent running of the Home, having previously worked as the Deputy Manager.

Prayer Meetings were held in the Home in May and November, and hymn-singing evenings were held monthly, all of which have been appreciated by the Residents. In the week before Christmas we once again held our annual Christmas service and a large number of friends attended, including many families; the Residents especially enjoyed hearing the young children sing to them.

During August we provided a high tea for our Residents, their families and friends as well as the Home's volunteers in recognition of the support they provide throughout the year.

The annual coffee morning was held in November which raised £648.67 and we especially thank the many friends who helped and others by contributing gifts for sale. The proceeds will be used for the benefit of the Residents.

Several times during the year the Residents were invited out to afternoon tea with different friends; they have also enjoyed morning coffee at a local garden centre, a bluebell drive in the spring, and a trip to Whitehall Garden Centre for coffee, cake and shopping in December.

The Trolley Shop, which provides a bespoke shopping facility for the convenience and benefit of the Residents, continues to be run by Mrs. Patricia Tugwell. Monthly craft and activity mornings continue to be run by Mrs. Monica Redhouse and Miss Myrtle Robinson. Other activities include the 'Knitting Hour', when Residents knit squares which are sewn into blankets for charity, and weekly exercise sessions.

We take this opportunity to express our sincere thanks to the many friends who continue to loyally support us by taking the morning readings, hymn-singings and prayer meetings, and also for practical help in many ways. Our volunteers perform many valuable duties such as transport to chapel services, medical appointments and shopping trips.

ANNUAL REPORTS FROM THE FLATLETS

Harpenden Bethesda Flatlets

203 Luton Road, Harpenden, Herts. AL5 3DE



Warden: Mr. Alan Rayner

Residents as at 31 December 2018

Miss P.A. Lawrance Mrs. J. Tyler

We would return our grateful thanks to the Lord for His goodness to us in maintaining the Flatlets for another year.

The two Residents, Miss Pat Lawrance and Mrs. Jenny Tyler, are able to meet with the Home Residents for morning readings and at other times such as prayer meetings and hymn singing evenings, whilst living an independent life in the flatlets. Mrs. Jenny Tyler has been a great help in improving the rear garden, making it more bird friendly and in building a small water feature. We expect Flatlet 3 to be occupied in the new year.

Redhill Bethesda Flatlets

3 White Post Hill, Redhill, Surrey, RH1 6AN



Warden: Mr. Jon Hickman

Residents as at 31 December 2018

Mrs. D. Sayers

We echo the hymn writer's words:

Another year of our short life is gone,
And many are the wonders we have known;
Our path's been strewn with blessings rich and rare,
Proceeding from thy special love and care,

and so, we record the Lord's goodness in maintaining the Redhill Flatlets throughout another year.

Mrs. Dorothy Sayers continues to occupy Flat 3 and remains the only elderly resident in the flatlets, but we are thankful for our temporary Residents occupying four of the other five Flatlets.

There have been two changes during the year in our temporary Residents. We were pleased to welcome Miss Jean Starkey to the Flatlets in August 2018, who took up residency in Flat 4, which was the only Flat vacant at the time. Then in September 2018, Suzanna Hayden moved out of Flat 2 back to her university base in Guildford, Surrey, having completed her work experience in the local East Surrey hospital as part of her nursing degree studies. There is

therefore now one vacant Flat, and we hope this will be filled by an elderly resident from our group of Churches, but we would also welcome enquiries from a suitable temporary resident needing accommodation in the area.

We are therefore thankful again for another year of high occupancy to give valuable support to the continuance of the Flatlets, not only covering all essential running costs, maintenance and repairs, but again resulting in surplus income for the year giving support to Bethesda as a whole.

We greatly appreciate the voluntary help and interest shown by the Residents and local friends in the maintenance and well-being of the flatlets, and in some instances resulting in significant savings in maintenance costs.

Coffee mornings continue to be held each month in the lounge. This gives the Residents an opportunity to meet together and speak with friends from local Chapels, who join them for refreshments, reading and prayer followed by hymn singing.

‘The Lord our God be with us’.

Published by the Trustees of the Gospel Standard Bethesda Fund

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GOSPEL STANDARD BETHESDA FUND

Financial Statements

for the

year ended

31 December 2018

Charity No. 209376

Gospel Standard Bethesda Fund
Bethesda General Office
12(b) Roundwood Lane
Harpenden
Herts
AL5 3BZ

Financial Statements for the year ended 31 December 2018

CONTENTS

	Page
Independent Auditor's Report	2
Statement of Financial Activities (SOFA)	6
Statement of Financial Activities (SOFA) for prior year	7
Balance Sheet	8
Statement of Cash Flows	9
Notes to the Financial Statements	10

The Annual Report for 2018 is available from the address above.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GOSPEL STANDARD BETHESDA FUND

Opinion

We have audited the financial statements of Gospel Standard Bethesda Fund (the 'charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2018 and of its 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out in the Trustees' Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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. This description forms part of our auditor's report.

Use of the audit report

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Signed: 

Mazars LLP Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: 6th March 2019

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

GOSPEL STANDARD BETHESDA FUND
Statement of Financial Activities for the year ended 31 December 2018

		----Unrestricted funds----		Restricted funds	Total funds
	Note	General	Designated	funds	2018
		£	£	£	£
Income and endowments from:					
Donations and legacies	3	25,274	9,944	120,519	155,737
Charitable activities	4	1,605,158	-	-	1,605,158
Investments	5	17,920	372	8,483	26,775
Grant - The Piggott Charity	6	-	9,000	-	9,000
Total		1,648,352	19,316	129,002	1,796,670
Expenditure on:					
Raising funds	7-8	15,608	-	-	15,608
Charitable activities	7-13	1,889,788	2,937	39,224	1,931,949
Total		1,905,396	2,937	39,224	1,947,557
Net (expenditure)/income		(257,044)	16,379	89,778	(150,887)
Transfers between funds	14,23	19,021	(17,517)	(1,504)	-
Net movement in funds		(238,023)	(1,138)	88,274	(150,887)
Reconciliation of funds:					
Total funds brought forward		3,563,481	53,530	826,774	4,443,785
Total funds carried forward		£3,325,458	£52,392	£915,048	£4,292,898

Comparative figures for the prior year
Statement of Financial Activities for the year ended 31 December 2017

	Note	----Unrestricted funds----		Restricted funds	Total funds
		General	Designated		2017
		£	£	£	£
Income and endowments from:					
Donations and legacies	3	255,615	9,419	47,616	312,650
Charitable activities	4	1,534,710	-	-	1,534,710
Investments	5	12,944	678	8,112	21,734
Grant - The Piggott Charity	6	-	9,000	-	9,000
Total		1,803,269	19,097	55,728	1,878,094
Expenditure on:					
Raising funds	7-8	15,024	-	-	15,024
Charitable activities	7-13	1,814,836	2,802	7,911	1,825,549
Total		1,829,860	2,802	7,911	1,840,573
Net (expenditure)/income		(26,591)	16,295	47,817	37,521
Transfers between funds	14	36,899	(20,089)	(16,810)	-
Net movement in funds		10,308	(3,794)	31,007	37,521
Reconciliation of funds:					
Total funds brought forward		3,553,173	57,324	795,767	4,406,264
Total funds carried forward		£3,563,481	£53,530	£826,774	£4,443,785

GOSPEL STANDARD BETHESDA FUND
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets:			
Tangible assets	15-17	1,060,645	1,095,069
Investments	19	250,000	-
<i>Total fixed assets</i>		1,310,645	1,095,069
Current assets:			
Debtors	18	114,040	80,150
Investments	19	2,634,356	1,339,333
Cash at bank and in hand		321,462	1,996,529
<i>Total current assets</i>		3,069,858	3,416,012
Liabilities:			
Creditors: Amounts falling due within one year	20	(87,605)	(67,296)
<i>Net current assets</i>		2,982,253	3,348,716
<i>Total assets less current liabilities</i>		4,292,898	4,443,785
Total net assets		£4,292,898	£4,443,785
The funds of the charity:			
Unrestricted -			
General	21	3,325,458	3,563,481
Designated	21,23	52,392	53,530
Restricted income funds	21,22	915,048	826,774
Total charity funds		£4,292,898	£4,443,785

These financial statements were approved by the Trustees on 15 February 2019 and signed on their behalf by:



M. Ridout, Chairman

GOSPEL STANDARD BETHESDA FUND
Statement of Cash Flows for the year ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities:			
<i>Net cash (used in)/provided by operating activities</i>	24(a)	<u>(150,745)</u>	<u>160,987</u>
Cash flows from investing activities:			
Interest and rents from investments		26,775	21,734
Purchase of property, plant and equipment		<u>(6,074)</u>	<u>(16,810)</u>
<i>Net cash provided by investing activities</i>		<u>20,701</u>	<u>4,924</u>
<i>Change in cash & cash equivalents in reporting period</i>		(130,044)	165,911
Cash & cash equivalents at start of reporting period		<u>3,335,862</u>	<u>3,169,951</u>
Cash & cash equivalents at end of reporting period	24(b)	<u>£3,205,818</u>	<u>£3,335,862</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting Policies

(a) Basis of preparation

The Financial Statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice SORP 2015 (FRS 102) published by the Charity Commission in 2014.

(b) Going concern

The Financial Statements have been prepared on a going concern basis. The trustees assess whether the use of going concern is appropriate and have identified no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of 12 months from the date of approval of the Financial Statements.

(c) Income

Voluntary income, including donations, Gift Aid, and chapel collections, is recognised in the period in which the income is received.

Investment income and rent is recognised on a receivable basis.

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is normally probable when:

- there has been a grant of probate
- the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- any conditions attached to the legacy are either within the control of the charity or have been met.

Legacies which have been notified, but are not recognised as income in the Statement of Financial Activities, are disclosed within the note 'Donations and legacies' with an estimate (if possible) of the amount receivable.

Fees from residents in the care homes and flatlets are accounted for in the period in which the service is provided.

(d) Income tax recoverable

Any income tax due to be reclaimed from the Inland Revenue on donations made under Gift Aid or income tax deducted from interest received net of basic rate tax, has been brought into these financial statements as a debtor.

(e) **Expenditure**

Expenditure is accounted for on an accruals basis, that is, when a liability is incurred. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Support costs are costs incurred in support of both income generation, charitable activities, and governance, as shown in the note 'Allocation of support costs.' These costs comprise a proportion of central office staff, information systems and internal accounting costs, and costs relating to the premises. Also included is a proportion of the management and administration costs in the three Bethesda Homes and servicing of the Homes' premises.

Governance costs are costs associated with the governance arrangements of the charity which relate to the general running of the charity as distinct from those costs associated with its charitable activities. They include the cost of meeting constitutional and statutory requirements, audit fees, legal fees, and a proportion of central office costs.

(f) **Pension scheme contributions**

Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. For further information see the note 'Employee information.'

(g) **Capitalisation and depreciation of tangible fixed assets**

Freehold properties

Freehold properties are carried in the accounts at their original cost. Depreciation is provided to write down the original cost of the buildings, and the cost of later permanent additions and improvements, on a straight-line basis over a period of fifty years. No depreciation is charged on freehold land.

Equipment

Due to the large number of fixed assets owned and used by the charity, our policy is to recognise within the assets register only those assets that cost more than £1,000. Numerous items purchased at the same time costing in total more than £1,000 but each item individually costing less than £1,000 are not capitalised. This policy of depreciation applies only to assets acquired after January 1990; all equipment acquired before that date has been written off completely in previous accounting periods.

Equipment in the Homes and Flatlets costing more than £1,000 is capitalised and written off on a straight-line basis over a period of five years, and is shown in the balance sheet at cost less accumulated depreciation, the annual depreciation being charged as a running cost of the Homes and Flatlets. Equipment in the Homes and

Flatlets costing less than £1,000 is not capitalised but is written off in the year of acquisition as an expense, being charged directly to the running costs of the Homes and Flatlets under 'Repairs and renewals.'

Equipment in the Bethesda General Office at Harpenden costing more than £1,000 is capitalised and written off on a straight-line basis over a period of five years, and is shown in the balance sheet at cost less accumulated depreciation, the annual depreciation being charged as a running cost under 'Central office costs.'

Equipment in the Bethesda General Office costing less than £1,000 is written off as an expense in the year of acquisition, being charged to 'Central office costs' under 'Repairs and maintenance.'

Motor vehicles

Motor vehicles are written off at 25% per annum on a reducing balance.

(h) Transactions with trustees and related parties

Two trustees received remuneration for services rendered outside the scope of their roles as trustees. Each payment was made having regard to Charity Commission guidance and all requirements were met. The payments made were:

Henry Mercer - Local Secretary of Studley Bethesda Home: £750 (2017 - £750).

Alan Rayner - Gardening work at the Harpenden Flatlets: £1,744 (2017 - £1,460).

Trevor Scott - Financial Accountant for the charity: £nil (2017 - £1,500).

No trustees received any remuneration for their services as a trustee. 5 trustees (2017: 5 trustees) were reimbursed travel expenses totalling £1,299 (2017: £1,506). One trustee was paid £1,200 (2017: £1,200) to reimburse secretarial assistance. Expenses waived by trustees amounted to £793 (2017: £809). G Wiltshire, the son of a trustee, was paid £480 for hedge cutting at Studley Bethesda Home, and D G Bailey, son of another trustee, was paid £681 for garden services at Redhill flatlets. Besides the disclosures in these financial statements, no trustee or connected persons had any beneficial interest in any contract, transaction or arrangement with the Charity during the year.

(i) Indemnity insurance

The charity carries a comprehensive insurance package provided by Travelers Insurance. Engineering Insurance and Inspection is provided by Allianz Insurance, Trustees Liability by Catlin Insurance via Angel Risk Management Ltd., Group Personal Accident by Chubb Insurance, Cyber & Data Risks by Lloyd's via CFC Underwriting Ltd., and Motor Vehicle Insurance by QBE Insurance.

(j) **Stocks of foods and other supplies**

Stocks held at the year end have not been brought into these Financial Statements, as the amounts held are relatively insignificant.

(k) **Funds**

Unrestricted funds - these comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds - these are unrestricted funds set aside by the Trustees at their discretion from the general funds for specific purposes.

Restricted funds - these comprise funds subject to specific restrictions imposed by donors and funders.

Further details of the nature and purpose of each fund are set out in the notes to the accounts.

Surplus cash is held on fixed term deposits. Deposits maturing in less than one year are recognised as current investments and those that mature in more than one year are recognised as fixed investments.

2 Statement of Financial Activities

The Statement of Financial Activities includes all income, gains, expenditure and losses recognised for the reporting period. All income and expenditure derives from continuing activities.

3 Donations and legacies

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2018</i>	<i>Total 2017</i>
	£	£	£	£
Collections & donations from chapels:				
For general purposes	9,944	-	9,944	9,419
For specific Homes	-	486	486	461
For assisting short-stay residents	-	1,364	1,364	1,434
Personal donations & subscriptions:				
For general purposes	1,250	-	1,250	2,459
For general purposes - Gift Aid	22,098	-	22,098	20,805
For specific Homes	-	6,924	6,924	10,024
For specific Homes - Gift Aid	-	446	446	450
For the Flatlets - Gift Aid	25	-	25	250
Home collecting boxes	-	899	899	1,247
Total	33,317	10,119	43,436	46,549
Legacies received:				
Miss Mary Guest	-	110,400	110,400	-
Mrs Irene Guest	500	-	500	-
Mr John Stevens	-	-	-	1,000
Miss Rachel Tanton	-	-	-	2,000
Mrs Grace Saxby	189	-	189	14,930
Mrs Lily Levell	-	-	-	500
Mr John Tucker	-	-	-	220,000
Mrs Constance Sayers	-	-	-	5,000
Miss Doreen Lee	-	-	-	1,000
Mr Oliver Pollington	-	-	-	14,000
Mr Brian Honeysett	1,212	-	1,212	7,640
Miss Amy Hall	-	-	-	31
Total	1,901	110,400	112,301	266,101
Total	£35,218	£120,519	£155,737	£312,650

3 Donations and legacies (continued)

The Charity has been advised that it is a beneficiary of the following legacies:

Mr S E George: Balance arising from the sale of building land and a partial interest in tenanted agricultural land. There is no immediate prospect of the balance being realised.

Miss F Curd: A legacy of the order of £4,500 - £5,000 has been advised as having been left to the charity but further details are unknown.

Miss M Guest: 48% of the residual estate has been left to the charity of which £110,400 was received in the year and is included above. The amount of any balance is unknown.

For an explanation of when legacies are recognised as income see Note 1(c).

4 Income from charitable activities

	<i>Total</i> 2018	<i>Total</i> 2017
	£	£
Fees from residential care homes	1,541,864	1,469,910
Fees from flatlets	37,689	39,935
Staff board charges	19,926	20,489
Sundry receipts	5,679	4,376
	<u>£1,605,158</u>	<u>£1,534,710</u>

5 Investment income

	<i>Unrestricted</i> <i>funds</i>	<i>Restricted</i> <i>funds</i>	<i>Total</i> 2018	<i>Total</i> 2017
	£	£	£	£
Interest on short-term deposits	15,792	8,483	24,275	19,234
Rent receivable from bookroom	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
	<u>£18,292</u>	<u>£8,483</u>	<u>£26,775</u>	<u>£21,734</u>

The bookroom within the Bethesda General Office, Harpenden is let to The Gospel Standard Trust as its publications centre. As the fair value of the investment property component cannot be measured reliably, the entire property is accounted for within tangible fixed assets and not under investments.

Related Party Transactions note: The Gospel Standard Trust is a Custodian Trustee of the Gospel Standard Bethesda Fund and holds in trust all of the charity's freehold properties. The appointment was made under the Charity Commission Scheme referred to earlier in this report.

6 Transactions with The Piggott Charity

A grant of £9,000 (2017 - £9,000) was received from The Piggott Charity towards assisting underfunded residents. The Piggott Charity is a 'connected charity.' The trustees of the Gospel Standard Bethesda Fund are also trustees of The Piggott Charity. However, the Gospel Standard Bethesda Fund does not exercise any dominant influence over The Piggott Charity. The Piggott Charity makes grants at its own discretion to the Gospel Standard Bethesda Fund. Therefore, based on this, no consolidated accounts are prepared. For further information see notes on 'Designated funds' and 'Restricted funds.'

7 Analysis of expenditure

	<i>Direct costs</i>	<i>Governance & support costs</i>	<i>Total 2018</i>	<i>Total 2017</i>
	£	£	£	£
Raising funds	-	15,608	15,608	15,024
Charitable activities:				
Running costs of care homes	1,518,069	364,344	1,882,413	1,773,979
Running costs of flatlets	33,074	12,870	45,944	47,446
Underfunded residents' fund	-	2,937	2,937	2,802
Short-stay residents' fund	500	155	655	1,322
	1,551,643	380,306	1,931,949	1,825,549
Total	£1,551,643	£395,914	£1,947,557	£1,840,573

8 Allocation of Governance and support costs

Support costs comprise costs incurred in support of both income generation, charitable activities, and governance, as shown below. These costs comprise a proportion of central office staff, information systems and internal accounting costs, and costs relating to the premises. Also included is a proportion of the management and administration costs in the Bethesda Homes and Flatlets and the servicing of the buildings.

Governance costs are those for the governance arrangements of the charity. These include audit, legal advice for trustees and costs associated with constitutional and statutory requirements, such as trustee meetings and preparing statutory accounts. In prior years governance costs were shown separately in the Statement of Financial Activities but are now included as a sub-category of support costs and allocated to activities along with the other support costs. Governance costs are shown in Note 9.

	<i>Staff costs</i>	<i>Other costs</i>	<i>Total 2018</i>	<i>Total 2017</i>
	£	£	£	£
Raising funds	10,176	5,432	15,608	15,024
Charitable activities:				
Care homes	299,734	64,610	364,344	335,710
Flatlets	8,108	4,762	12,870	12,288
Subsidies: underfunded residents	1,863	1,074	2,937	2,802
Subsidies: short-stay residents	98	57	155	147
Total Governance & support costs	£319,979	£75,935	£395,914	£365,971

9 Governance costs

	<i>Total 2018</i>	<i>Total 2017</i>
	£	£
Audit fees incl disbursements - current year	8,430	8,500
Audit fees incl disbursements - prior years	(311)	(1,659)
Advertising and Website costs	77	300
Bank charges	788	624
Committee members' expenses	1,299	1,506
Printing	786	617
Staff costs	26,477	24,541
Other costs	12,276	12,617
	£49,822	£47,046

10 Subsidies paid to short-stay residents

During the year one resident coming into a Bethesda Home for a short stay was assisted with their fees from the Short-Stay Fund (2017: 1 resident). During the year the Short-Stay Fund was supported by three (2017: 3) chapel collections.

11 Assistance towards residents' fees

Fee subsidies amounting to £47,517 (2017: £55,089) were paid from a designated fund to residents supported by local authorities under the Community Care Act in cases where the maximum amount paid by the local authority was less than the Bethesda fee. During the year 8 residents were assisted in this way: 4 residents at the Brighton Home, 3 at Harpenden, and 1 at Studley (2017: 8 residents).

During the year contributions amounting to £142,096 (2017: £156,696) were receivable from local authority social services departments towards residents' fees.

12 Ex gratia payments

Ex gratia payments amounting to £2,075 (2017: £2,000) were paid by way of honoraria to people who assist the charity in various ways. 7 payments (2017: 7 payments) were made in the year ranging from £50 to £750. The sum of £750 was paid to one Trustee which is already disclosed in Note 1(h). In some cases the payment, or part of the payment, is used by the recipient to defray expenses incurred in rendering services to the charity.

13 Employee information

The average number of care home staff employed during the year, including part time workers, was 76 (2017: 101). The full-time equivalent is 54 staff. The number of management and administration staff at the Bethesda General Office was 2 (2017: 3). Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	1,275,025	1,227,010
Social security costs	86,209	80,013
Pension costs	27,745	25,511
Agency workers	62,688	12,551
	<hr/>	<hr/>
	£1,451,667	£1,345,085
	<hr/>	<hr/>
Cost of raising funds - support costs	10,176	9,432
Costs relating to charitable activities:		
Care homes - direct costs	1,131,688	1,048,582
Care homes - support costs	299,734	277,739
Flatlets - support costs	8,108	7,515
Fee subsidies - support costs	1,863	1,726
Short-stay Fund - support costs	98	91
	<hr/>	<hr/>
	£1,451,667	£1,345,085
	<hr/>	<hr/>

No employee earned £60,000 per annum or more in either year. Premiums of £1,280 (2017: £1,280) were paid into a private pension plan held by 1 officer (2017: 1 officer). Employers premiums of £26,363 (2017: £24,202) were paid into 'The People's Pension' scheme administered by B&CE Insurance Ltd. which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. This is an auto-enrolment scheme which commenced in October 2015.

Key management personnel are identified as the General Manager and the three Home Managers. The compensation of these members of staff amounts to £150,745 (2017: £136,061) including remuneration and all benefits paid. In addition, the General Manager separately invoiced the charity, and was paid, £1,650 for preparing drawings of proposed building work. The Home Manager of the Harpenden Home, Debbie Scott, is daughter in law to a trustee, Trevor Scott. Regulations require that each of the care Homes have a registered Manager, and each Home Manager's remuneration is decided with reference to an agreed independent market benchmarking tool for their roles on an impartial basis.

14 Transfers from restricted funds

	<i>2018</i>	<i>2017</i>
	£	£
Transfer from restricted funds relating to capital expenditure	<u>1,504</u>	<u>16,810</u>
Total transfers	<u>£1,504</u>	<u>£16,810</u>

The expenditure for 2018 related to planning costs for a proposed sun lounge extension at the Brighton Home (2017: new patios at the Brighton and Harpenden Homes).

15 Freehold land and buildings

(a) *Holding trustee*

The freeholds of the Bethesda Homes and Flatlets and the Bethesda General Office are held by the custodian trustee, The Gospel Standard Trust.

(b) *Net book value*

The Trustees consider that the open market value of the freehold land and buildings is in excess of the net book value at which they are shown in the Balance Sheet.

(c) *Note concerning the Brighton and Hove Home*

The Gospel Standard Baptist Library is situated within the grounds of the Brighton & Hove Bethesda Home. The cost of the library building, which was erected in 1980 and extended in 2003, was met entirely from the funds of the library. There is no formal agreement with the trustees of the library and no ground rent or other payments are received.

	Bethesda Homes £	Bethesda Flatlets £	Office Premises £	Total £
COST				
At start of year	1,294,664	449,492	125,019	1,869,175
Additions	4,707	-	-	4,707
At end of year	1,299,371	449,492	125,019	1,873,882
DEPRECIATION				
At start of year	563,975	175,110	48,405	787,490
Charge for year	23,750	7,612	2,484	33,846
At end of year	587,725	182,722	50,889	821,336
NET BOOK VALUE				
At 31.12.18	£711,646	£266,770	£74,130	£1,052,546
At 31.12.17	£730,689	£274,382	£76,614	£1,081,685

Included within the cost of freehold property is land of £181,523 (2017: £181,523) which is not depreciated.

16 Equipment and motor vehicles

	Equipment in Homes £	Equipment in Flatlets £	Office Equipment £	Motor Vehicles £	Total £
COST					
At start of year	216,900	9,885	5,003	55,837	287,625
Additions	1,367	-	-	-	1,367
Disposals	(2,949)	-	-	-	(2,949)
At end of year	215,318	9,885	5,003	55,837	286,043
DEPRECIATION					
At start of year	205,370	9,885	5,003	53,983	274,241
Charge for year	6,188	-	-	464	6,652
Less: Disposals	(2,949)	-	-	-	(2,949)
At end of year	208,609	9,885	5,003	54,447	277,944
NET BOOK VALUE					
At 31.12.18	£6,709	£-	£-	£1,390	£8,099
At 31.12.17	£11,530	£-	£-	£1,854	£13,384

17 Tangible assets

	2018 £	2017 £
Freehold land and buildings	1,052,546	1,081,685
Equipment and motor vehicles	8,099	13,384
	£1,060,645	£1,095,069

18 Debtors

	2018	2017
	£	£
Income tax recoverable on Gift Aid	4,498	4,303
Interest accrued on short-term deposits	20,582	10,360
Prepayments	19,098	19,294
Residents' fees receivable	69,862	46,193
	<u>£114,040</u>	<u>£80,150</u>

19 Investments: short-term deposits

	2018	2017
	£	£
<i>Fixed assets</i>		
United Trust Bank Two Year Bond	250,000	-
	<u>250,000</u>	<u>-</u>
<i>Current assets</i>		
Charity Bank One Year Bond	250,000	-
Hampshire Trust Bank One Year Bond	250,000	-
Cambridge & Counties Bank One Year Bond	269,464	390,485
Cambridge & Counties Bank Easy Access Account	395,533	
Cambridge & Counties Bank Two Year Bond	-	264,180
COIF Charities Deposit Fund	688,388	684,668
Close Brothers 18 Month Fixed Term Deposit	780,971	-
	<u>£2,634,356</u>	<u>£1,339,333</u>
Total investments	<u>£2,884,356</u>	<u>£1,339,333</u>

20 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accrued expenses	1,974	1,909
Accrued holiday pay	25,498	20,349
Financial services fees	8,430	8,500
PAYE & NIC due to HMRC	22,119	24,117
Pension premiums due	5,109	4,995
Residents' fees repayable/paid in advance	8,231	-
Trade creditors	16,244	7,426
	<hr/>	<hr/>
	£87,605	£67,296
	<hr/>	<hr/>

21 Net asset analysis by fund

	---Unrestricted funds---		Restricted	Total	Total
	Designated	General	funds	funds	funds
	£	£	£	2018	2017
				£	£
Fixed assets:					
Tangible	-	1,060,645	-	1,060,645	1,095,069
Investments	-	250,000	-	250,000	-
Current assets:					
Investments	52,392	1,666,916	915,048	2,634,356	1,339,333
Other	-	435,502	-	435,502	2,076,679
Current liabilities	-	(87,605)	-	(87,605)	(67,296)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£52,392	£3,325,458	£915,048	£4,292,898	£4,443,785
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

22 Restricted funds

	<i>Balance</i> <i>01.01.18</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> <i>to capital</i> £	<i>Balance</i> <i>31.12.18</i> £
<i>Brighton Home:</i>					
Miss M J Guest	-	55,292	-	-	55,292
Mr J Tucker	20,151	202	-	-	20,353
Mrs E E Walker	81,126	803	(12,458)	(1,504)	67,967
<i>Harpenden Home:</i>					
Mr S E Biggs	61,610	602	(20,189)	-	42,023
Mrs E M Burgess	75,204	755	-	-	75,959
Mrs N M Gosling	139,647	1,403	-	-	141,050
Miss M J Guest	-	55,292	-	-	55,292
Mr L W Palmer	274,969	2,762	-	-	277,731
Miss M A Patterson	77,967	783	-	-	78,750
Mrs E D Sneesby	4,943	50	-	-	4,993
Miss M K Watts	2,732	27	-	-	2,759
Miss R E Wilkins	16,798	169	-	-	16,967
<i>Studley Home:</i>					
Miss S A Burgess	1,961	20	-	-	1,981
Mr O Pollington	14,047	139	(2,627)	-	11,559
Mr C A Wood	1,118	11	-	-	1,129
<i>Other funds:</i>					
Brighton Amenity	20,564	5,030	(2,193)	-	23,401
Harpenden Amenity	11,270	2,594	(1,102)	-	12,762
Studley Amenity	18,192	1,657	-	-	19,849
Short-stay Residents	4,475	1,411	(655)	-	5,231
	<u>£826,774</u>	<u>£129,002</u>	<u>(£39,224)</u>	<u>(£1,504)</u>	<u>£915,048</u>

Restricted funds are to be used only for the benefit of the Bethesda Home under which they are listed above. The Short-stay Residents Fund is supported by chapel collections and is used to assist people coming into the Bethesda Homes for short stays. See Note 1(k) for more information on Restricted funds.

23 Designated funds

	<i>Balance</i> <i>01.01.18</i>	<i>Income</i>	<i>Expenditure</i>	<i>Net</i> <i>transfers</i>	<i>Balance</i> <i>31.12.18</i>
	£	£	£	£	£
Underfunded residents	27,757	19,057	(2,937)	(17,517)	26,360
Miss K E Aston dec'd	25,773	259	-	-	26,032
	<u>£53,530</u>	<u>£19,316</u>	<u>(£2,937)</u>	<u>(£17,517)</u>	<u>£52,392</u>

The 'Underfunded residents fund' was established in 2007 from part of the proceeds arising from the sale of the closed Tunbridge Wells Bethesda Home. It is used to assist residents who are unable to meet the full fees. It was announced at the Annual General Meeting in April 2015 that all chapel collections received from the beginning of 2015 will be allocated to this Fund unless otherwise specified. For 2018 an additional £30,000 (2017: £35,000) has been transferred from general funds to the 'Underfunded residents fund'.

Part of a legacy received in 2009 from the estate of the late Miss Kathleen Eunice Aston was transferred into a designated fund to be used for the benefit of the Brighton Bethesda Home, where Miss Aston was a resident for over ten years.

Income includes interest received on unexpended balances. See Note 1(k) for more information on Designated funds.

24 Notes to Statement of Cash Flows

(a) Reconciliation of net (expenditure)/income to net cash (used in)/provided by operating activities

	2018 £	2017 £
Net (expenditure)/income for the year (as per the statement of financial activities)	(150,887)	37,521
Adjustments for:		
Depreciation charges	40,498	41,622
Interest and rents from investments	(26,775)	(21,734)
(Increase)/decrease in debtors	(33,890)	115,545
Increase/(decrease) in creditors	20,309	(11,967)
Net cash (used in)/provided by operating activities	<u>(£150,745)</u>	<u>£160,987</u>
(b) Analysis of cash and cash equivalents		
Cash at bank and in hand	321,462	1,996,529
Cash on deposit (current asset investments)	2,634,356	1,339,333
Cash held (fixed asset investments)	<u>250,000</u>	<u>-</u>
	<u>£3,205,818</u>	<u>£3,335,862</u>

25 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
<i>Amounts due:</i>		
Within 1 year	2,049	1,274
Between 1 and 5 years	5,671	4,187
After 5 years	<u>-</u>	<u>-</u>
	<u>£7,720</u>	<u>£5,461</u>

26 Commitments for expenditure

There were no other commitments for expenditure at the year end.

END OF NOTES TO THE FINANCIAL STATEMENTS