



# Gospel Standard Bethesda Fund

Founded 1944

## 72<sup>nd</sup> ANNUAL REPORT

for the year ended

31 DECEMBER 2016

See separate booklet for Financial Statements for year ended 31 December 2016



# **Gospel Standard Bethesda Fund**

## **Annual General Meeting**

Notice is hereby given that the  
10<sup>th</sup> Annual General Meeting  
will be held, if the Lord will, at  
Clifton Chapel, Broad Street, Clifton, Shefford, Beds. SG17 5RJ  
on Friday, 7 April 2017 at 1:45 p.m.

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### **Agenda**

1. Chairman to open the meeting.
2. To consider and approve the minutes of the AGM held on 8 April 2016.
3. General Manager to introduce the Annual Report and Financial Statements for the year ended 31 December 2016.
4. To approve and adopt the Annual Report and Financial Statements for the year ended 31 December 2016.
5. General Manager to announce the result of the ballot for re-election of members of the Bethesda Fund Committee.

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## 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. T.H.W. Scott
Mr. M.G. Bailey	Mr. R.G. Wells
Mr. A.J. Collins (appointed 1 July 2016)	Mr. M.O. Wiltshire
Mr. S.B. Cottingham (appointed 1 July 2016)	

**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](mailto: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 £9,750 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 2016**

## **Introduction**

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

As in previous years, the year 2016 has again been one of reflection and deep concern for the Bethesda Fund Committee as there continues to be much to consider and pray about. The many challenges facing the Charity including the changing needs of the people who use our service, ageing properties and ever increasing financial pressures which tend to cancel out every measure taken to maintain financial efficiency.

The Committee 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+ 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 community/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.

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 homelike atmosphere for likeminded people. In line with this ethos the life of 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 association, 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 currently nine members following the appointment of Mr. Andrew Collins and Mr. Sam Cottingham on the 1 July 2016.

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, 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 £2,174,266. This is 21.9% more than the total expenditure for the year of £1,784,307. There is no contractual commitment to expenditure for planned works in 2017.



## Financial review

As last year, the full Financial Statements have been published in a separate booklet.

The Statement of Financial Activities shows that total income was £1,656,381 compared with £1,397,387 in the previous year. The increase is due mainly to an increase in income from donations and legacies, and higher income from resident's fees in the Homes and Flatlets. Investment income has continued to fall in line with lower interest rates generally. We remain truly thankful to our congregations and personal supporters for the regular giving to Bethesda, without which the work could not continue.

Three legacies were received during the year amounting to £168,413. This is a higher figure than the previous year when the total was £74,657. Income from resident's fees was £1,325,698 compared with £1,192,838 in 2015 due to higher occupancy rates at the Harpenden and Studley homes. Subsidies paid to meet shortfalls in funding by Social Services amounted to £64,751 (2015: £69,492) 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 £9,750 (2015: £9,000) from our connected charity, The Piggott Charity. One chapel held a collection for the benefit of this charity, for which we are grateful. Assistance towards the fees of short-stay residents amounting to £4,045 (2015: £1,010) was provided from a restricted fund.

Employment costs have increased from £1,150,297 in 2015 to £1,299,071 in the current year. This is partly due to an increased reliance on agency staff and higher pension costs resulting from the introduction of an auto-enrolment scheme which meet government requirements. 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 £97,133 although lower than the previous year when expenditure was £106,403. 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.

During the year, major capital expenditure was incurred in refurbishing the kitchen at the Harpenden home which cost a total of £61,164. The heating boiler and two hot water boilers were also replaced at Harpenden at a cost of £38,040. In accordance with our accounting policies the cost of this work was capitalised rather than charged to repairs and renewals.

## 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	548,745	504,865	272,088	1,325,698
Other income	16,998	17,390	1,370	35,758
<b>Total income</b>	<b>565,743</b>	<b>522,255</b>	<b>273,458</b>	<b>1,361,456</b>
Employment and agency costs	550,472	419,071	266,269	1,235,812
Depreciation charges	10,316	15,574	6,881	32,771
Hardware, cleaning and laundry	7,899	7,486	2,907	18,292
Insurance	7,385	8,418	3,605	19,408
Motor and travel	1,707	3,525	1,374	6,606
Power	12,368	16,775	10,302	39,445
Provisions	29,614	24,331	11,919	65,864
Registration fees	2,964	2,964	1,482	7,410
Repairs and renewals	37,932	37,811	21,390	97,133
Staff training	6,194	4,295	2,707	13,196
Telephone, relay and internet	2,502	2,075	1,992	6,569
Water services	4,683	3,790	3,443	11,916
Central office support costs	38,147	43,349	22,541	104,037
Other costs	20,306	21,108	12,176	53,590
<b>Total expenditure</b>	<b>732,489</b>	<b>610,572</b>	<b>368,988</b>	<b>1,712,049</b>
<b>(Deficit) for year</b>	<b>(£166,746)</b>	<b>(£88,317)</b>	<b>(£95,530)</b>	<b>(£350,593)</b>

The overall deficit in running the three homes of £350,593 is slightly higher than the previous year when the deficit was £333,699. Occupancy levels have a large bearing on the financial results of running the homes. Although occupancy levels overall were higher than the previous year, it is disappointing that ever-increasing expenditure has led to a greater deficit. Occupancy levels for this year and the previous three years are shown below:

	2016	2015	2014	2013
Brighton (22 residents)	80%	85%	88%	93%
Harpenden (25 residents)	71%	58%	60%	84%
Studley (13 residents)	72%	66%	63%	66%
<b>Overall</b>	<b>75%</b>	<b>70%</b>	<b>71%</b>	<b>83%</b>

The basic Bethesda fee from April 2016 was fixed at £571 per week, with a higher needs rate of £703 per week, and an advanced dementia care rate of £756 per week.

## The Bethesda Flatlets

At Harpenden, of the three flatlets, one was occupied for the entire year, and the other two for a good part of the year. At Redhill, of the six flatlets, only two 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 produced a deficit of £14,196 and the Redhill Flatlets a surplus of £6,454 as shown in the summary below.

	<i>Harpenden</i>	<i>Redhill</i>	<i>Total</i>
	£	£	£
Residents fees	13,841	28,275	42,116
Other income	-	-	-
<b>Total income</b>	<b>13,841</b>	<b>28,275</b>	<b>42,116</b>
Cleaning, windows and waste	200	407	607
Council tax on unoccupied properties	846	133	979
Depreciation	4,287	3,325	7,612
Garden maintenance	1,774	249	2,023
Insurance	555	1,109	1,664
Power	2,061	3,082	5,143
Repairs and renewals	13,254	2,978	16,232
Central office support costs	4,273	8,547	12,820
Other costs	787	1,991	2,778
<b>Total expenditure</b>	<b>28,037</b>	<b>21,821</b>	<b>49,858</b>
<b>Surplus/(Deficit) for the year</b>	<b>(£14,196)</b>	<b>£6,454</b>	<b>(£7742)</b>

## Overall financial results

Overall, the operating deficit for the year was £127,926 compared to the deficit the previous year of £216,209. 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 decreased from £3,759,077 at the end of 2015 to £3,610,497 at the end of 2016. Restricted funds increased from £775,113 at the end of 2015 to £795,767 at the end of 2016. As a result, total funds (including properties) decreased from £4,534,190 at the end of 2015 to £4,406,264 at the end of 2016. Further details can be found in Notes 21 - 23.

## **Achievements and Outcome of Activities**

### *Background*

The Charity was established in 1944 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 six years have been straight from hospital or to remove the necessity of a hospital admission. These factors mean that 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 has become quite uncommon.

### *Dementia*

As has been previously reported, one of the well-known factors developing out of the above trends is the increasing number of people now living with dementia. Whilst we have been aware of this for some time the Bethesda Homes appear not to have felt the impact of this until recently. Quite why this should be is not clear, but it has been interesting to note that other Christian Care organisations have reported that up to 80% of residents in their residential care homes have some degree of dementia, whilst Bethesda's percentage is somewhat lower. Nevertheless, there are now increasing numbers of people with dementia wishing to use Bethesda's services.

In response to these changing needs Bethesda now offers care and support to people with dementia as a formal specialisation alongside the residential care service. The aim of this, within certain reasonable constraints, is to provide the staff with the necessary training and resources needed to enable care to be given in most cases. Although it is our aim to provide help and support to people with various forms of dementia, practical considerations do require that there be some limitations to this service. As a general guide these limitations are considered to be, a). persons with dementia requiring twenty-four-hour access

to nurses or those whom district nurses are not able to support within the homes, b). those whose behaviour poses a real danger to other residents or staff or whose symptoms would cause significant and sustained disturbance. In view of the primary purpose of the homes being residential care homes, it is felt reasonable to limit to one quarter of total occupancy the number of people with a dementia diagnosis. This is intended to limit the impact on other residents without the condition.

### *Other Complex Care Needs*

During the year we were approached by a number of people requesting care and support for conditions that required nursing care. Bethesda has previously only offered support for such conditions to people who develop nursing needs whilst already in our care, rather than admitting people with pre-existing conditions. The reason for this is that we do not offer in-house nursing care, relying instead on community health professionals. Also, our understanding was that our Care Quality Commission registration terms prevented us offering a place to people with nursing care needs.

As part of our commitment to on-going review of the services we offer and having been approached by people in need, it was felt appropriate to look again at our service provision in this respect. We accordingly approached the Care Quality Commission who confirmed that their current position is that residential care homes may look after people with nursing needs, provided that it can be demonstrated that appropriate, effective and responsive care can be provided to the individual with the support of community health professionals (GPs, nurses, mental health team etc.).

As a consequence of this Bethesda will now offer a service to new applicants with nursing needs. However, it is important to bear in mind that Bethesda's resources are limited and that each application will need to be assessed on its own merits. If there are already a number of people in a person's chosen home with complex care needs we may not be able to offer a place, due to limited places for this type of service.

The increasing number of people in Bethesda with complex care needs (both nursing and dementia) is placing a significant strain on our resources, especially on the staff, but also financially due to the high cost of providing such care. In addition, our existing accommodation was not designed for this type of service. However, as there is clearly a demand for it the Committee are looking at ways of adapting how the service can be offered and what changes are required to the buildings to facilitate the needs identified.

### *Buildings*

In addition to adapting the buildings to accommodate the changing nature of our services, the Charity also faces significant challenges relating to the age of the buildings. This is both in respect of ever increasing and very significant repairs and renewals costs, but also in meeting the expectations of our residents and their families in terms of the standard of facilities provided. It is important that people are able to furnish their rooms in the way they prefer, but this can often become impractical as resident's support needs increase due to the amount of space needed to manoeuvre equipment. The Committee has agreed to explore a range of measures for each home with the aim of finding ways to improve the existing facilities.

During the year various works were carried out on the homes, including a replacement bathroom in the Brighton home and a replacement boiler and new kitchen in the Harpenden home. These works had become essential through wear and tear arising from the age of the facilities. The main corridor in the Studley home was also redecorated during the year and the floor carpeted.

Consideration was given to what options might be available to Bethesda for rebuilding parts of the Harpenden Bethesda home with the aim of improving the rooms and an architect's feasibility study was commissioned to look into this. Whilst the building and site does lend itself to modernisation, the costs of doing so are prohibitive and it has been felt that this course of action is not appropriate.

### *Inspections*

During 2016 we had one inspection of our homes by the Care Quality Commission (CQC) under the new framework which came into effect in April 2015. The Harpenden home was inspected on the 23rd February and we are pleased to report that the home was rated overall 'good'. The comments received in the report were very favourable.

### *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.

Occupancy in the Brighton home in overall terms has declined slightly, starting the year with eighteen people in residence and ending with seventeen. However, there were many changes during the year with six people passing away and five new people coming into the home. Occupancy in the Harpenden home has again shown considerable variation, starting with sixteen people, increasing to nineteen by October, before reducing back to fifteen by the end of the year. The Studley home saw occupancy remain stable at seven people for most of the year before increasing to twelve in November, which is close to full occupancy.

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

The Homes have always seen their levels of occupancy change in a cyclical fashion, ranging from periods of higher to lower occupancy over a two to three year period. However, for the first time in 2016 we began to see a more rapid fluctuation in occupancy, with a home changing from high to low, or low to high over a much shorter period. This appears to be the result of the change to the length of time people are in our homes. As those that came into the homes at a comparatively young age (70-75) pass away, those that came in at a much more advanced age (average 87), remain with us for a shorter period.

We are pleased that our friends living in the homes continue to be satisfied with the care and support they receive; this is apparent both from inspection and feedback reports as well as from personal comments made.

## **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 also wish to thank once again the many volunteers who assist in so many different ways; without their sacrifice of time and effort the wellbeing of the residents would be greatly affected. 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**

At the Brighton home, planning permission has been obtained for an extension to the dining room which gives the option to improve this facility if necessary. Consideration is also being given to what options are available for updating individual bedrooms and other alterations to the building that would result in an improvement in our service provision for people living with dementia.

At the Harpenden home a complete replacement of the flat roof is likely to be necessary sometime in the next two to three years. Consideration is also being given to how the gardens can be improved to make them more secure and friendly for people living with dementia.

At Studley, subject to Building Regulations approval, we are hoping to convert the managers flat into a 'flatlet' for use by people of 65+ as assisted living accommodation. This will be available for either permanent occupation or short breaks subject to availability. It is hoped that this facility will increase the use of the home as well as provide a small additional income. It will become necessary to replace one of the baths during 2017 as the existing ones are old, difficult to maintain and no longer fit for purpose.

## **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 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 to the high level of fixed costs in running the homes indicates that high levels of occupation are essential to cover those fixed costs. The relatively low capacity of our homes means that sufficient income is not generated even with high occupancy to cover these costs but every effort is made to minimise the financial gap.

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 RPI 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 2016 the Bethesda Fund awarded staff a cost of living increase in salaries and wages of 0.5% for officers and 2% for all other staff.

## **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**



**H. MERCER, Chairman**

**17 February 2017**

## 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. Richard Wells

#### Residents as at 31 December 2016

Mrs. G. Burgess	Mr. P. Cornwall	Mrs. I. Ford
Mrs. I.M. Guest	Miss M.V.G. Haddow	Mrs. J. Holman
Miss S. J. Holman	Mr. S. Mercer	Mrs. K.R. Payne
Mrs. R.M. Poole	Mrs. C. Sayers	Mrs. B. Stewart
Mr. J.K. Tucker	Mrs. G. Walder	Miss B.M. Wickens
Mrs. M.M. Woodhams	Mrs. A.R. Woodhams	

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

Since the beginning of 2016, five new permanent residents have entered the home, Miss Margaret Tanton, Mrs. Constance Sayers, Mrs. Isobel Ford, Mrs. Grace Burgess and Mrs. Grace Walder. There were ten short stay residents, all benefiting from the rest and change.

Six residents passed away during the year, Mrs. Muriel Cook, Miss Leah Cottingham, Mrs. Elizabeth Hart, Mr. Raymond Holman, Mr. John Walder and Miss Margaret Tanton. They are all lovingly missed.

Prayer Meetings were once again arranged by the Home Support Group which were conducted by local Chapels, including Blackboys and Eastbourne. We are very thankful to the local Chapels for their support to the home.

The Residents again enjoyed having an incubator in the lounge during the spring which allowed them to watch chicks hatching. There have also been a number of outings again this year with a visit to Nymans Gardens and a trip on the Bluebell Railway. On both occasions a picnic was enjoyed that had been prepared by the Home Support Group. On one occasion James and Joanna Pearce kindly invited the residents to their home for a cream tea. A vintage Ice Cream Van came to visit Bethesda on a summer afternoon where the Residents were able to choose different flavoured ice creams and a BBQ was held in the garden for lunch one day. Christmas lunch and shopping trip was taken at the Southdowns Nursery once again in December. The Mill Cottage Farm experience kindly visited again this year which gave the residents the opportunity to hold some of the smaller animals as well as to interact with the larger ones.

The annual coffee morning took place once again in November which was well supported and raised over £2,400 for the home. Some of this will be spent on a Clavinova Piano to go in the lounge.

The Eastbourne Sunday School visited in December and sang some Christmas Hymns which were very much enjoyed by the residents. Mr Richard Field conducted the usual Christmas service held at the home.

We are very grateful to all the Home Support Group for all they do for the residents. We would like to thank all the volunteers who so kindly help us here at the home, especially those who escort residents to various appointments, their help is very much appreciated.

Sadly, Mr. Brian Honeysett passed away in October and he is lovingly missed having run the trolley shop for over 25years. He also took weekly readings in the home and attended to any problems with the relay within the home and to Galeed Chapel. We are thankful for his loyal support to Bethesda over so many years.

Our Craft team continue to organise the monthly craft mornings, including cooking with the residents and we are very thankful to them for all their help.

We are also grateful to those who hold monthly hymn singing afternoons for the residents, the exercise sessions and all those conduct morning worship in the home.

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
Home Chairman:	Mr. Trevor Scott

### Residents as at 31 December 2016

Mrs. M. Bradley	Miss F. Curd	Mr. A. Daniels
Miss D.C. Gibb	Miss M. Guest	Mrs. S. Haddow
Mrs. R. Hare	Mrs. J.M. Harrison	Mr. & Mrs. S. Hickman
Mrs. B. Kingham	Mr. D. Relf	Mrs. M. Ruse
Mrs. P.H. Watts	Mrs. A. Wells	

We are thankful to the Lord for bringing us through and maintaining us in another eventful year at Harpenden Bethesda. During this year we have had two inspections, one by the Care Quality Commission and one by the local county council. The results of these were very encouraging with the CQC rating the home as “good” and Herts County Council being very positive about the home and the care. In September and October, we had a new heating and hot water system installed which has been a welcome upgrade on the old boilers and the kitchen was also refurbished which is a great improvement.

We have been pleased to welcome four new residents to the home; Miss Mary Guest who came in January, Mr. Alan Daniels in March, Mrs. Sheila Haddow who moved from the flats in August and Mrs. Margaret Ruse who arrived in October.

Over the year, we have sadly lost four residents who passed away; Mrs. Grace Saxby from Irthlingborough chapel, who passed away in March, Mrs. Olive Daniels of Bethel, Luton who passed away in October, and in November Mr. Roy Warburton of Manchester and Mr. John Stevens of Bethel, Luton. Mrs. Iris Barnes left the home to move back to the Nuneaton area in order to be closer to her family.

Although Mrs. Daniels was a resident with us for only a short time we felt privileged to look after her. She had been a member of the Home Support Group (formerly the Home Committee) for over 20 years and was heavily involved in the weekly handicraft group held every Monday. She also regularly helped with the trolley shop, retiring from this only a few months before she passed away.

Mr. Stevens was a member of the Bethesda Fund Committee from 1984 to 2002. He was also Chairman of the Harpenden Home Committee from 1991 to 1996 and visited every week from his home in Pangbourne. He was a very practical man who was a great help to the home in repairing equipment and undertaking numerous other jobs as well. It was a privilege to care for him in his last days.

We have cared for a number of residents for short stays, including; Mr. & Mrs. J. Barker, Mrs. Ena Field, Mrs. Olive Perks, Mrs. Rosie Mercer, Mrs. Jenny Tyler, Mr. John Ruse, Mr. H. Wallis, Mrs. Warboys and Mrs. Marjorie Woodhams.

There have been a few staff changes over the past year. In September Annie Crowter, Bethany Ramsbottom and Rebekah Wilderspin left to study at University and Hannah Woodhams left to take up a new role with the TBS. We wish them each well in their new lives. There have been a number of new staff joining the team, including Esmeralda De Raaf, Simone Fuite, Philippa Hartwell, Blessing Ulasi, James Van Essen, Wieke Waayenberg and Trish Webb.

The residents have enjoyed several outings over the year thanks to our Home Support Group; these outings have included a trip to the Rose Gardens at St. Albans, a picnic at Wrest Park and a trip to Ayletts Garden Centre near St Albans for Christmas shopping. A special tea was organised in June to celebrate the Queen's 90<sup>th</sup> birthday which included a number of guests as well as the residents. Other events have included slide shows by various friends of their visits to Africa, Australia and a battlefields tour of Belgium and musical afternoons on various occasions throughout the year. A coffee morning was held in February and in December events were arranged by young people and by Bethel Sunday School to sing Christmas hymns with the residents.

## Studley Bethesda Home



Home Manager:	Mrs. Rachel Honeysett
Assistant Home Manager:	Mrs. Pauline Redmond
Home Administrator:	Mrs. Emma Trafford
Local Secretary & Home	
Chairman:	Mr. Henry Mercer

### Residents as at 31 December 2016

Mr. & Mrs. J. Burrows	Mrs. K.M. Cooper	Mr. K. Evans
Miss D. Hanks	Miss M.P. Hole	Miss P.M.R. Hunt
Mrs. H.E. Painter	Mrs. O. Perks	Mr. O.J. Pollington
Mr. H.A. Wallis	Mrs. B. Wheeler	

We give thanks to God for maintaining and providing for us, and are thankful that the home was fully occupied with permanent residents by the end of the year. We have been pleased to welcome Miss Betty Wheeler, Mrs. Olive Perks, Miss Doris Hanks and Mr. and Mrs. John Burrows as new residents to our home, but were sad to lose Miss Doreen Lee who passed away in July, she had been with us for four and a half years. Early in January 2017 Miss Doris Hanks also passed away.

During the year we have been able to provide short stay care to eight residents who benefited from the rest and change, and we continue to provide day care as required.

In February, Mrs. Pauline Redmond retired from her post as Deputy Manager. During the year the Home Manager has been ably supported by the new Deputy Manager, Mrs. Samantha O'Dwyer who has been a senior care



assistant for a number of years and took up this position in March, and also by a loyal team of staff. The arrangement whereby we have recruited a number of bank staff available to fill in at short notice is proving to be beneficial.

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

In April, we had a special tea to celebrate the Queen's ninetieth birthday, followed by slides recording each year of her life. This evoked a lot of reminiscences among the residents, some of whom could clearly remember many of the events from many years ago. On July 2nd, we held a barbecue with our volunteers and their families in recognition of the support they provide throughout the year; we were favoured with good weather. The residents and staff were able to join with them in the garden.

The annual coffee morning was held in October, and we especially thank the many friends who helped out by contributing gifts for sale. The proceeds enabled us to buy new curtains for the hall and corridor which have been redecorated and re-carpeted. Also during October representatives from The Gideons kindly presented a large print AV Bible to the home. 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 an autumn colour drive later in the year.

During the year we remembered the ninetieth birthdays of Miss Doreen Lee and also of Mr. Harry Wallis, and the last day of the year was a very special occasion for Mr. and Mrs. Burrows as they celebrated their Golden Wedding in the home with family and friends.

The Trolley Shop, which provides a bespoke shopping facility for the convenience and benefit of the residents, is now run by Miss Myrtle Robinson and Mrs. Patricia Tugwell. Monthly craft / 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 2016

Miss P.A. Lawrance Mrs. J. Tyler

Once again we would return our grateful thanks to the Lord for His many mercies though another year.

We have been pleased to welcome Mrs. Jennifer Tyler into the Flatlets this year whilst Mrs. Shiela Haddow has moved into Harpenden home. Miss Pat Lawrance has continued with us in Flatlet 1. Flatlet 2 is currently vacant.

We are pleased that our friends in the Flatlets are often able to join our friends in the home for morning readings, prayer meetings and outings and other events, as well as providing some assistance to the home themselves.

It is expected, if the Lord will, to repaint the outside of the building in 2017.

## **Redhill Bethesda Flatlets**

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



Warden:

Mr. Jon Hickman

Residents as at 31 December 2016

Mrs. R. Mercer

Mrs. D. Sayers

The Lord has been pleased to maintain the Redhill Flatlets throughout another year, and we are thankful to record his goodness.

During the year, we have seen some changes, with Mrs. Sylvia Ford moving into full residential care at the Hove Bethesda Home on Wednesday 7<sup>th</sup> September. Mrs. Ford had been a resident at the home since 1997 and she is greatly missed. We were thankful to have another enquiry for residency from Mrs. Dorothy Sayers of Croydon, who came into the flatlets on 15 December 2016. This was especially pleasing as Mrs. Sayers had known Mrs. Rose Mercer, since their school days, and she now occupies the adjoining flat.

We are thankful that the other flatlets continue to be occupied as previously by Mr. & Mrs. Samuel McKay, Mr. & Mrs. James Chittenden (with 1 year old daughter Phoebe), Thomas Hickman and Leah McKay. This means overall the six flatlets have enjoyed a high level of occupancy throughout 2016.

We are thankful that full occupancy gives valuable support to the continuance of the six flatlets. This greatly helps the financial standing,

covering all essential running costs, maintenance and repairs, but also this has again resulted in a surplus for the year.

We greatly appreciate the voluntary help and interest shown by the residents and local friends in the maintenance and well-being of the flatlets. As five of our residents have cars we have taken the opportunity to make a small but useful extension to the car park. This was achieved at very little cost with the help of the Redhill Chapel friends, who kindly donated vehicles, time, tools and materials.

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

**Notes:**

**Notes:**



**Published by the Trustees of the Gospel Standard Bethesda Fund**

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**Printed by Olive Press, Stotfold**



# **GOSPEL STANDARD BETHESDA FUND**

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## **Financial Statements**

**for**

**year ended**

**31 December 2016**

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**Charity No. 209376**



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

**Financial Statements for year ended 31 December 2016**

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***The Annual Report for 2016 is available from the address above.***

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

We have audited the financial statements of Gospel Standard Bethesda Fund for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 which give a true and fair view.

We have been appointed as auditor 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. This report, including our opinion, has been prepared for and only for the charity's trustees as a body. 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.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at:

[www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

## **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its income and expenditure of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **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' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Mazars LLP, Chartered Accountants (Statutory Auditors)  
Times House, Throwley Way, Sutton, Surrey SM1 4JQ

Date: 24 March 2017

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

**GOSPEL STANDARD BETHESDA FUND**  
**Statement of Financial Activities for the year ended 31 December 2016**

		----Unrestricted funds----		Restricted	Total funds
		General	Designated	funds	2016
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	3	179,644	13,433	28,089	221,166
Charitable activities	4	1,396,233	-	-	1,396,233
Investments	5	20,586	713	7,933	29,232
Grant - The Piggott Charity	6	-	9,750	-	9,750
<b>Total</b>		<b>1,596,463</b>	<b>23,896</b>	<b>36,022</b>	<b>1,656,381</b>
<b>Expenditure on:</b>					
Raising funds	7-8	15,323	-	-	15,323
Charitable activities	7-13	1,753,802	2,880	12,302	1,768,984
<b>Total</b>		<b>1,769,125</b>	<b>2,880</b>	<b>12,302</b>	<b>1,784,307</b>
<b>Net income/(expenditure)</b>		<b>(172,662)</b>	<b>21,016</b>	<b>23,720</b>	<b>(127,926)</b>
<b>Transfers between funds</b>	14,23	(2,183)	5,249	(3,066)	-
<b>Net movement in funds</b>		<b>(174,845)</b>	<b>26,265</b>	<b>20,654</b>	<b>(127,926)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,728,018	31,059	775,113	4,534,190
<b>Total funds carried forward</b>		<b>£3,553,173</b>	<b>£57,324</b>	<b>£795,767</b>	<b>£4,406,264</b>

*Comparative figures for prior year*  
**Statement of Financial Activities for the year ended 31 December 2015**

		----Unrestricted funds----		Restricted funds	Total funds
		General	Designated	2015	2015
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	3	22,104	9,001	70,470	101,575
Charitable activities	4	1,249,219	-	3,172	1,252,391
Investments	5	26,484	572	7,365	34,421
Grant - The Piggott Charity	6	-	9,000	-	9,000
<b>Total</b>		<b>1,297,807</b>	<b>18,573</b>	<b>81,007</b>	<b>1,397,387</b>
<b>Expenditure on:</b>					
Raising funds	7-8	11,031	-	-	11,031
Charitable activities	7-13	1,559,091	2,105	41,369	1,602,565
<b>Total</b>		<b>1,570,122</b>	<b>2,105</b>	<b>41,369</b>	<b>1,613,596</b>
<b>Net (expenditure)/income</b>		<b>(272,315)</b>	<b>16,468</b>	<b>39,638</b>	<b>(216,209)</b>
<b>Transfers between funds</b>	14,23	77,942	(69,492)	(8,450)	-
<b>Net movement in funds</b>		<b>(194,373)</b>	<b>(53,024)</b>	<b>31,188</b>	<b>(216,209)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,922,391	84,083	743,925	4,750,399
<b>Total funds carried forward</b>		<b>£3,728,018</b>	<b>£31,059</b>	<b>£775,113</b>	<b>£4,534,190</b>

**GOSPEL STANDARD BETHESDA FUND**  
**Balance Sheet as at 31 December 2016**

	Notes	2016 £	2015 £
<b>Fixed assets:</b>			
Tangible assets	15-17	1,119,881	1,044,190
		<hr/>	<hr/>
<i>Total fixed assets</i>		1,119,881	1,044,190
<b>Current assets:</b>			
Debtors	18	195,695	54,336
Investments	19	2,924,386	3,233,028
Cash at bank and in hand		245,565	291,102
		<hr/>	<hr/>
<i>Total current assets</i>		3,365,646	3,578,466
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	20	79,263	88,466
		<hr/>	<hr/>
<i>Net current assets</i>		3,286,383	3,490,000
		<hr/>	<hr/>
<i>Total assets less current liabilities</i>		£4,406,264	£4,534,190
		<hr/>	<hr/>
<b>Total net assets</b>		<b>£4,406,264</b>	<b>£4,534,190</b>
		<hr/>	<hr/>
<b>The funds of the charity:</b>			
Unrestricted -			
General	21	3,553,173	3,728,018
Designated	21,23	57,324	31,059
Restricted income funds	21,22	795,767	775,113
		<hr/>	<hr/>
<b>Total charity funds</b>		<b>£4,406,264</b>	<b>£4,534,190</b>
		<hr/>	<hr/>

These financial statements were approved by the Trustees on 17 February 2017 and signed on their behalf by:



**H. MERCER, Chairman**



**GOSPEL STANDARD BETHESDA FUND**  
**Statement of cash flows for the year ended 31 December 2016**

	<i>Notes</i>	<i>2016</i> £	<i>2015</i> £
<b>Cash flows from operating activities:</b>			
<i>Net cash (used in) operating activities</i>	24(a)	<b>(264,852)</b>	<b>(185,463)</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		29,232	34,421
Purchase of property, plant and equipment		(118,559)	(21,030)
Proceeds from the sale of investments		308,642	168,271
<i>Net cash (used in) investing activities</i>		219,315	181,662
<i>Change in cash and cash equivalents in the reporting period</i>		(45,537)	(3,801)
<b>Cash and cash equivalents at beginning of reporting period</b>		291,102	294,903
<i>Cash and cash equivalents at the end of reporting period</i>	24(b)	£245,565	£291,102

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **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) Reconciliation of funds and balances**

In preparing the Financial Statements, the trustees have considered whether in applying the accounting policies required by the Charities SORP (mentioned above) a restatement of comparative items was needed. This year, no restatements were required.

#### **(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**

Three 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 the Studley Bethesda Home: £750 (2015 - £750).

Alan Rayner - Gardening work at the Harpenden Flatlets: £1,450 (2015 - £1,465).

Trevor Scott - Financial Accountant for the charity: £6,000 (2015 - £6,000).

No trustees received any remuneration for their services as a trustee. Six trustees (2015: six trustees) were reimbursed travel expenses totalling £1,724 (2015: £1,399). Expenses waived by trustees amounted to £652 (2015: £748). 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 food 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.

## **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 2016</i>	<i>Total 2015</i>
	£	£	£	£
<b>Collections and donations from chapels:</b>				
For general purposes	13,343	-	13,343	9,002
For specific Homes	-	788	788	964
For assisting short-stay residents	-	90	90	3,245
<b>Personal donations and subscriptions:</b>				
For general purposes	20,841	-	20,841	2,299
For general purposes - Gift Aid	6,945	-	6,945	7,702
For specific Homes	-	9,194	9,194	1,772
For specific Homes - Gift Aid	-	502	502	504
For the Flatlets	-	-	-	400
Home collecting boxes	-	1,050	1,050	1,030
<b>Total</b>	<b>41,129</b>	<b>11,624</b>	<b>52,753</b>	<b>26,918</b>
<b>Legacies received:</b>				
Mr. Samuel Biggs	-	-	-	60,287
Mr. Roderick Cannon	-	-	-	1,000
Miss Mary Dadswell	-	-	-	10,702
Miss Mary Watts	-	-	-	2,668
Miss Ruth Wilkins	-	16,465	16,465	-
Mr. Thomas Saxby	38,987	-	38,987	-
Miss June Stock	112,961	-	112,961	-
<b>Total</b>	<b>151,948</b>	<b>16,465</b>	<b>168,413</b>	<b>74,657</b>
<b>Total</b>	<b>£193,077</b>	<b>£28,089</b>	<b>£221,166</b>	<b>£101,575</b>

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.

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

#### 4. Income from charitable activities

	<i>Total</i> <i>2016</i>	<i>Total</i> <i>2015</i>
Fees from residential care homes	1,325,698	1,192,838
Fees from flatlets	42,116	37,977
Staff board charges	20,210	16,909
Sundry receipts	8,209	4,667
	<hr/> £1,396,233 <hr/>	<hr/> £1,252,391 <hr/>

#### 5. Investment income

	<i>Unrestricted</i> <i>funds</i> £	<i>Restricted</i> <i>funds</i> £	<i>Total</i> <i>2016</i> £	<i>Total</i> <i>2015</i> £
Interest on short-term deposits	18,799	7,933	26,732	31,921
Rent receivable from bookroom	2,500	-	2,500	2,500
	<hr/> £21,299 <hr/>	<hr/> £7,933 <hr/>	<hr/> £29,232 <hr/>	<hr/> £34,421 <hr/>

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 £9,750 (2015 - £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 &amp; support costs</i>	<i>Total 2016</i>	<i>Total 2015</i>
	£	£	£	£
Raising funds	-	15,323	15,323	11,031
Charitable activities:				
Running costs of care homes	1,386,200	325,849	1,712,049	1,552,344
Running costs of flatlets	37,038	12,820	49,858	47,028
Underfunded residents' fund	-	2,880	2,880	2,105
Short-stay residents' fund	4,045	152	4,197	1,088
	1,427,283	341,701	1,768,984	1,602,565
TOTAL	£1,427,283	£357,024	£1,784,307	£1,613,596

## 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 the costs associated with the governance arrangements of the charity. These costs will normally include the audit, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts. In prior years governance costs were reported separately in the SOFA 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 2016</i>	<i>Total 2015</i>
	£	£	£	£
Raising funds	9,496	5,827	15,323	11,031
Charitable activities:				
Care homes	269,700	56,149	325,849	274,138
Flatlets	7,566	5,254	12,820	9,328
Subsidies paid to underfunded residents	1,738	1,142	2,880	2,105
Subsidies paid to short-stay residents	91	61	152	78
Total Governance and support costs	288,591	68,433	357,024	296,680

## 9. Governance costs

	2016	2015
	£	£
Audit fees - current year	7,788	7,440
Audit fees - prior year	720	144
Auditor's disbursements - current year	420	240
Auditor's disbursements - prior year	184	67
Audit fees for Pension Scheme - current year	-	450
Advertising and Website costs	158	218
Bank charges	701	561
Committee members' expenses	1,724	1,400
Printing	532	642
Professional fees	525	470
Staff costs	24,708	17,938
Other costs	12,785	8,402
	<hr/>	<hr/>
	£50,245	£37,972

## 10. Subsidies paid to short-stay residents

During the year seven residents coming into a Bethesda Home for a short stay were assisted with their fees from the Short-Stay Fund (2015: three residents). During the year the Short-Stay Fund was supported by one (2015: three) chapel collection.

## 11. Assistance towards residents' fees

Fee subsidies amounting to £64,751 (2015: £69,492) 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 nine residents were assisted in this way, i.e five residents at the Brighton Home, three at Harpenden, and one at Studley (2015: eleven residents).

During the year contributions amounting to £144,586 (2015: £140,730) were received from local authority social services departments towards residents' fees.

## 12. Ex gratia payments

Ex gratia payments amounting to £2,000 (2015: £1,750) were paid by way of honoraria to people who assist the charity in various ways. Three payments (2015: five payments) were made in the year ranging from £150 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 99 (2015: 82). The full-time equivalent is 64.4 staff. The number of management and administration staff at the Bethesda General Office was three (2015: three). Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,174,503	1,047,565
Social security costs	72,268	63,527
Pension costs	23,172	17,234
Agency workers	29,128	21,971
	<hr/>	<hr/>
	£1,299,071	£1,150,297
	<hr/>	<hr/>
Cost of raising funds - support costs	9,496	6,894
Costs relating to charitable activities:		
Care homes - direct costs	1,010,479	905,141
Care homes - support costs	269,700	231,441
Flatlets - support costs	7,566	5,493
Fee subsidies - support costs	1,738	1,328
Short-stay Fund - support costs	92	-
	<hr/>	<hr/>
	£1,299,071	£1,150,297
	<hr/>	<hr/>

No employee earned £60,000 per annum or more in either year. Premiums of £1,280 (2015: £1,182) were paid into a private pension plan held by one officer (2015: one officer). Premiums of £21,892 (2015: £6,026 October - December only) 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. The 'money purchase' pension scheme administered by Scottish Widows' Fund and Life Assurance Society referred to in the notes to last year's Financial Statements has been discontinued (premiums paid 2015: £8,208).

Key management personnel are identified as the General Manager and the three Home Managers. The compensation of these members of staff amounts to £131,776 (2015: £123,512) including remuneration and all benefits paid.

### 14. Transfers from restricted funds

	2016	2015
Transfer from restricted funds relating to capital expenditure	3,066	8,450
	<hr/>	<hr/>
Total transfers	£3,066	8,450
	<hr/>	<hr/>

The expenditure in both years relates to a proposed extension to the dining room at the Brighton Home and includes plan preparation, planning application fee and pre-contract services.

## 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 01.01.16	1,170,544	449,492	125,019	1,745,055
Additions	107,310	-	-	107,310
At 31.12.16	1,277,854	449,492	125,019	1,852,365
DEPRECIATION				
At 01.01.16	516,999	159,886	43,436	720,321
Charge for year	23,320	7,612	2,485	33,417
At 31.12.16	540,319	167,498	45,921	753,738
NET BOOK VALUE				
<b>At 31.12.16</b>	<b>£737,535</b>	<b>£281,994</b>	<b>£79,098</b>	<b>£1,098,627</b>
At 31.12.15	£653,545	£289,606	£81,583	£1,024,734

Included within the cost of freehold property is land of £181,523 (2015: £181,523) which is not depreciated.

## 16. Equipment and motor vehicles

	Equipment In Homes	Equipment in Flatlets	Office Equipment	Motor Vehicles	Total
COST	£	£	£	£	£
At 01.01.16	205,651	11,524	5,003	55,837	278,015
Additions	11,249	-	-	-	11,249
Less: Disposals	-	-	-	-	-
At 31.12.16	216,900	11,524	5,003	55,837	289,264
DEPRECIATION					
At 01.01.16	189,491	11,524	5,003	52,541	258,559
Charge for year	8,627	-	-	824	9,451
Less: Disposals	-	-	-	-	-
At 31.12.16	198,118	11,524	5,003	53,365	268,010
NET BOOK VALUE					
At 31.12.16	<b>£18,782</b>	-	-	<b>£2,472</b>	<b>£21,254</b>
At 31.12.15	£16,160	-	-	£3,296	£19,456

## 17. Tangible assets

	2016	2015
Freehold land and buildings	1,098,627	1,024,734
Equipment and motor vehicles	21,254	19,456
	<u>£1,119,881</u>	<u>£1,044,190</u>

**18. Debtors**

	2016	2015
	£	£
Grant from The Piggott Charity	9,750	-
Income tax recoverable on Gift Aid	1,390	1,674
Interest accrued on short-term deposits	10,105	10,451
Legacy from Miss June Stock	112,961	-
Prepayments	13,041	12,766
Residents' fees receivable	48,448	29,445
	<u>£195,695</u>	<u>£54,336</u>

**19. Investments: short-term deposits**

	2016	2015
	£	£
CAF Bank Ltd One Year Bond with Scottish Widows	170,015	170,015
CAF Bank Ltd One Year Bond with Principality BS	1,000,000	1,024,078
Cambridge & Counties Bank Ltd Two Year Bond	259,026	254,704
COIF Charities Deposit Fund	312,055	609,757
Santander UK plc Business Bond	1,183,290	1,174,474
	<u>£2,924,386</u>	<u>£3,233,028</u>

**20. Creditors: amounts falling due within one year**

	2016	2015
	£	£
Accrued expenses	7,822	21,511
Accrued holiday pay	19,707	16,186
Financial services fees	9,558	9,030
PAYE due to HMRC	23,189	18,926
Pension premiums due	4,740	18,673
Residents' fees paid in advance	2,575	1,759
Trade creditors	11,672	2,381
	<u>£79,263</u>	<u>£88,466</u>

## 21. Net asset analysis by fund

	-----Unrestricted funds-----		Restricted funds	Total funds 2016	Total funds 2015
	Designated	General			
	£	£	£	£	£
Tangible fixed assets	-	1,119,881	-	1,119,881	1,044,190
Current asset investments	57,324	2,071,295	795,767	2,924,386	3,233,028
Other current assets	-	441,260	-	441,260	345,438
Current liabilities	-	(79,263)	-	(79,263)	(88,466)
	<u>£57,324</u>	<u>£3,553,173</u>	<u>£795,767</u>	<u>£4,406,264</u>	<u>£4,534,190</u>

## 22. Restricted funds

	Balance 01/01/16	Income	Expenditure	Transfers to capital	Balance 31/12/16
	£	£	£	£	£
Brighton Bethesda Home -					
Mrs. E. E. Walker	82,569	816	-	(3,066)	80,319
Harpenden Bethesda Home -					
Mr. S. E. Biggs	60,389	608	-	-	60,997
Mrs. E. M. Burgess	73,713	743	-	-	74,456
Mrs. N. M. Gosling	136,879	1,379	-	-	138,258
Mr. L. W. Palmer	269,519	2,715	-	-	272,234
Miss M. A. Patterson	76,422	770	-	-	77,192
Mrs. E. D. Sneesby	4,845	49	-	-	4,894
Miss M. K. Watts	2,678	27	-	-	2,705
Miss R. E. Wilkins	-	16,631	-	-	16,631
Studley Bethesda Home -					
Miss S. A. Burgess	1,922	19	-	-	1,941
Mr. C. A. Wood	1,096	11	-	-	1,107
Other Restricted Funds:					
Brighton Amenity Fund	22,093	6,240	(3,217)	-	25,116
Harpenden Amenity Fund	19,805	4,346	(4,888)	-	19,263
Studley Amenity Fund	14,815	1,524	-	-	16,339
Short-stay Residents Fund	8,368	144	(4,197)	-	4,315
	<u>£775,113</u>	<u>£36,022</u>	<u>(£12,302)</u>	<u>(£3,066)</u>	<u>£795,767</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>01/01/16</i>	<i>Income</i>	<i>Expenditure</i>	<i>Net</i> <i>Transfers</i>	<i>Balance</i> <i>31/12/16</i>
	£	£	£	£	£
Underfunded residents fund	5,797	23,641	(2,880)	5,249	31,807
The late Miss K. E. Aston	25,262	255	-	-	25,517
	<u>£31,059</u>	<u>£23,896</u>	<u>(£2,880)</u>	<u>£5,249</u>	<u>£57,324</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 the year 2015 will be allocated to this Fund unless otherwise specified. This year an additional £70,000 was 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) to net cash (used in) operating activities

	<i>2016</i> £	<i>2015</i> £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(127,926)	(216,209)
<b>Adjustments for:</b>		
Depreciation charges	42,868	40,415
Dividends, interest and rents from investments	(29,232)	(34,421)
(Increase)/Decrease in debtors	(141,359)	4,392
(Decrease)/Increase in creditors	(9,203)	20,360
Net cash (used in) operating activities	<u>(£264,852)</u>	<u>(£185,463)</u>

### (b) Analysis of cash and cash equivalents

Cash in hand	<u>£245,565</u>	<u>£294,903</u>
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## 25. Commitments for expenditure

There were no commitments for expenditure at the year end.

## END OF NOTES TO THE FINANCIAL STATEMENTS



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