

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2000**

Frenchay and Southmead Care Trust

Unit 10, Eclipse Office Park, High Street, Staple Hill, Bristol BS16 5EL

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FRENCHAY AND SOUTHMEAD CARE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

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FRENCHAY AND SOUTHMEAD CARE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Charity registration number: 294377

Company registration number: 2011021

Date of incorporation: 16 April 1986

**Registered office and
principal address:**
Unit 10
Eclipse Office Park
High Street
Staple Hill
Bristol
BS16 5EL

FRENCHAY AND SOUTHMEAD CARE TRUST

OFFICERS AND PROFESSIONAL ADVISERS

Trustees and directors:

W G Lewton (Chair)
D W Oates
R A Clarke
M Dando
B J Davis
P Hockey
D G Knapp
D Large
J Lewis
F J F Lyons
M Shovelton
R M Slinn
E R Weaver

Secretary:

R D A Jones

Chief executive:

M Akers

Auditors:

Warren & Co
Meadhaven, Church Lane
Flax Bourton
Bristol BS48 3QF

Solicitors:

Lyons Davidson & Co
48-52 Baldwin Street
Bristol BS1 1QD

Bankers:

National Westminster Bank
4th Floor
Castlegate House
Tower Hill
Bristol BS2 0JA

Allied Irish Bank
31-33 Newport Road
Cardiff CF2 1AB

The Co-operative Bank
37 Park Place
Cathays Park
Cardiff CF1 3BB

FRENCHAY AND SOUTHMEAD CARE TRUST

ANNUAL REPORT

The trustees have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2000.

Legal status

The trust is constituted as a Private Charitable Company Limited by Guarantee and is governed by the terms of the Principal Trust Deed and its Memorandum and Articles of Association.

The Trust's Accounts and Annual Report are required to comply with the requirements of Companies and Charities legislation, and have therefore been prepared in accordance with the Companies Act 1985, the Charities Act 1993 and the Statement of Recommended Practice, Accounting by Charities.

This Annual Report forms the Trustees' report for the purposes of Section 45 of the Charities Act 1993 and the Directors' report for the purposes of Section 234 of the Companies Act 1985.

Objectives

The Trust was established to promote the personal development of people with learning disabilities, mental health needs and physical disabilities with a view to enabling them to lead a fulfilling life in the community.

The Trust's mission is *"To enable people to live in the community"*

To enable people with learning disabilities, mental health needs and physical disabilities to develop a fulfilling life in the community.

To continually seek to improve and be responsive to the changing needs and wishes of the people we support.

The Trust has the following service aims, the first five of which reflect O'Brien's Five Accomplishments and are recognised nationally as principles or aims for community care (as opposed to institutional care):

To ensure service users have the opportunity to live within ordinary communities and use the facilities available there.

To ensure users are given the opportunity to develop personal, practical and social activities with whatever support is required.

To ensure users are offered choices and are supported in making both day-to-day and major life decisions.

To ensure users are treated with respect and dignity.

To ensure users become part of a community with a network of valued relationships.

The three remaining aims reflect the desire of the Trust to be a good employer, to grow and develop and to meet contractual obligations.

To ensure F & S C T's reputation is built on being a good employer.

To invest in services that can improve the quality of life of service users.

To deliver the best quality services that commissioners can afford.

FRENCHAY AND SOUTHMEAD CARE TRUST

ANNUAL REPORT continued

Review of developments and activities

The Trust now manages 72 homes and provides care for approximately 570 people. There are residential and nursing homes ranging in size from 2 to 30 beds, although the majority provide between 4 and 8 places. The Trust owns 54 houses and the remainder are leased from Avon Health Authority or local councils and housing associations. The Trust also provides supported living services in people's own homes.

The Trust directly employs approximately 1,200 staff.

The Trust continues to develop new services. Approximately 70 people will move to community-based homes from Hanham Hall Hospital during the current year. Preparation for this has involved the Trust in commissioning new build homes and in refurbishing or extending existing homes. For the mental health service, the residents from two homes have moved to larger purpose-built homes. The new 16 bedded nursing home at Graeme Close opened in September 1999 and the 8 bedded Albert Road opened in January 2000.

The Trust is continuing to review its plans for future years. Until now its strong growth has been based on developing services in the community around the needs of people leaving long-stay hospitals. The last of these hospitals (Hanham and Brentry) will close in 2000. The Trust's new strategy is based on honouring our commitments to those residents whilst developing services around the needs of people who have never lived in hospital.

The Trustees have issued an Annual Review document for 1999/00 which gives further information regarding the development, activities and achievements of the Charity during the year. It also contains a review of last year's Business Plan and the strategy of the organisation for the next three years.

Financial review

The majority of the Trust's income consists of contract income from Social Services and Avon Health, and residents' contributions.

During the year ended 31 March 2000 a Capital Grant amounting to £770,000 was received from Avon Health, to enable the Trust to purchase five Mental Health homes formerly owned by The Brandon Trust. This grant is disclosed in the Statement of Financial Activities.

All other income for the year ended 31 March 2000 represented unrestricted funds and is therefore disclosed in both the Statement of Financial Activities and the Income and Expenditure Account.

All income has been applied to further the Trust's charitable objects and a detailed analysis of expenditure is given in the Income and Expenditure Account.

The Trust achieved a surplus for the year of £83,454. The Trust normally budgets to break even each year, within a tolerance of 1% of income. The Trust has budgeted for a surplus in 2000/01.

The Trust remains in a strong financial position at 31 March 2000, with total restricted and unrestricted reserves amounting to £4,159,822, including £3,462,418 representing restricted capital reserves. Unrestricted reserves amount to £697,404, but this amount could not be realised without disposing of

FRENCHAY AND SOUTHMEAD CARE TRUST

ANNUAL REPORT continued

properties held for charitable use. At present the Trust had net current liabilities and it is the Trustees' aim to reduce these by generating modest surpluses and by obtaining further long term loan finance.

The Trust's future commitments relate to the ongoing provision of care for its existing residents, for which it will continue to be funded, and those individuals discharged into the Trust's care as part of the hospital reprovision programme. The Trustees will also continue to develop any new opportunities as they arise.

Employment policies

Frenchay and Southmead Care Trust promotes equal opportunities within all areas of its work. The aim is to ensure that all procedures and practices do not discriminate on the grounds of race, disability, religion, age, nationality, sex, sexual orientation and marital status.

Where an employee or prospective employee is identified as disabled the provisions of the Disability Discrimination Act are followed. This states that reasonable adjustments to the workplace and working practices should be considered to ensure that a disabled employee is not disadvantaged. Discussions are held with the affected employee, Southmead Occupational Health Services Departments and, where appropriate, the employee's GP. Most Trust properties have good disabled access and facilities.

The Trust has policies in place to ensure that employees are consulted and provided with appropriate information in order that they be fully involved in the performance of the Trust and are aware of factors affecting the organisation. Several methods are used to provide staff with information. Community Managers hold monthly homes managers' meetings and a regular Staff Bulletin is circulated which includes information on the Trust's strategy and staff opportunities. External and internal training is provided when implementing new policies.

Staff are encouraged to join Trade Unions and consultation takes place with those Unions regarding matters relating to pay and conditions of employment.

An annual questionnaire is distributed to staff to monitor the effectiveness of Head Office. The Trust operates an open culture and the Chief Executive encourages staff to open channels of communication with him.

Year 2000 issue

The trustees have considered the impact of the Year 2000 issue on the company's computers and other key equipment and that of the Trust's major customers and suppliers, with the aim of ensuring that all key systems are considered to be compliant in advance of all critical dates. Suitably qualified individuals have been consulted and it is now considered that all key systems are 2000 compliant. No difficulties have been encountered to date at any of the time critical periods.

FRENCHAY AND SOUTHMEAD CARE TRUST

ANNUAL REPORT continued

Directors

All trustees are directors and members of the company. The directors throughout the year were as follows:

W G Lewton		D W Oates	
B J Davis		W T James	(deceased 25 September 1999)
W J Archer	(deceased 1 March 2000)	R A Clarke	(appointed 27 March 2000)
M Dando		P Hockey	
D G Knapp		D Large	
J Lewis	(appointed 27 September 1999)	F J F Lyons	
J O'Gara	(resigned 4 October 1999)	M Shovelton	
R M Slinn		E R Weaver	

Statement of Trustees' responsibilities

Company and 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 charitable company and of its financial activities for that year. In preparing those financial statements the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice, the regulations made under s.44 of the Charities Act 1993 and the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on 31 July 2000 and signed on its behalf by

Chair

W. G. Lewton

Trustee

D. W. Oates

AUDITORS' REPORT

TO THE TRUSTEES OF FRENCHAY AND SOUTHMEAD CARE TRUST

We have audited the financial statements on pages 8 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 12.

Respective responsibilities of Trustees and Auditors

As described on page 6 the Trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Warren & Co

WARREN & CO
Registered Auditors and
Chartered Accountants

Meadhaven, Church Lane,
Flax Bourton
Bristol
BS48 3QF

31 July 2000

FRENCHAY AND SOUTHMEAD CARE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2000

	Notes	Unrestricted funds 2000 £	Restricted capital fund 2000 £	Total 2000 £	1999 £
INCOMING RESOURCES					
Avon Health		10,007,801	770,000	10,777,801	9,769,240
Other contract income		4,184,658	-	4,184,658	-
Residents' contributions		5,534,250	-	5,534,250	6,363,358
Investment income		49,605	-	49,605	230,199
Net surplus on disposal of fixed assets		220,660	-	220,660	-
Other income		46,563	-	46,563	25,629
TOTAL INCOMING RESOURCES		20,043,537	770,000	20,813,537	16,388,426
RESOURCES EXPENDED					
Direct charitable expenditure	1	19,956,668	-	19,956,668	14,542,670
Other expenditure	2	65,593	-	65,593	223,148
TOTAL RESOURCES EXPENDED		20,022,261	-	20,022,261	14,765,818
NET INCOMING RESOURCES BEFORE TRANSFERS		21,276	770,000	791,276	1,622,608
GROSS TRANSFERS BETWEEN FUNDS		62,178	(62,178)	-	-
NET MOVEMENT IN FUNDS		83,454	707,822	791,276	1,622,608
TOTAL FUNDS AT 1 APRIL 1999					
As previously reported		613,950	2,754,596	3,368,546	1,872,938
Prior year adjustment		-	-	-	(127,000)
As restated		613,950	2,754,596	3,368,546	1,745,938
TOTAL FUNDS AT 31 MARCH 2000		£ 697,404	£ 3,462,418	£ 4,159,822	£ 3,368,546

The Statement of Financial Activities incorporates the Statement of Total Recognised Gains and Losses required by FRS 3.

The accounting policies and notes on pages 12 to 19 form part of these financial statements.

FRENCHAY AND SOUTHMEAD CARE TRUST

BALANCE SHEET AS AT 31 MARCH 2000

	Notes	Unrestricted Income Fund 2000 £	Restricted Capital Fund 2000 £	Total 2000 £	Unrestricted Income Fund 1999 £	Restricted Capital Fund 1999 £	Total 1999 £
TANGIBLE FIXED ASSETS	10	10,415,204	3,462,418	13,877,622	6,823,901	2,754,596	9,578,497
CURRENT ASSETS							
Debtors	11	1,184,078	-	1,184,078	431,452	-	431,452
Cash at bank and in hand		865,058	-	865,058	2,857,499	-	2,857,499
		2,049,316	-	2,049,316	3,288,951	-	3,288,951
CREDITORS: Amounts falling due within one year	12	(5,489,996)	-	(5,489,996)	(6,009,384)	-	(6,009,384)
Net current liabilities		(3,440,860)	-	(3,440,860)	(2,720,433)	-	(2,720,433)
TOTAL ASSETS LESS CURRENT LIABILITIES		6,974,344	3,462,418	10,436,762	4,103,468	2,754,596	6,858,064
CREDITORS: Amounts falling due in over one year	13	(6,276,940)	-	(6,276,940)	(3,489,518)	-	(3,489,518)
NET ASSETS		£ 697,404	£ 3,462,418	£ 4,159,822	£ 613,950	£ 2,754,596	£ 3,368,546
FUNDS EMPLOYED							
Unrestricted Income Funds							
Accumulated fund		697,404	-	697,404	613,950	-	613,950
Restricted Capital Fund	15	-	3,462,418	3,462,418	-	2,754,596	2,754,596
		£ 697,404	£ 3,462,418	£ 4,159,822	£ 613,950	£ 2,754,596	£ 3,368,546

Approved by the Board on 31 July 2000 and signed on its behalf by

Chair *W-Lr Crenkan*

Trustee *W-Lr Crenkan*

The accounting policies and notes on pages 12 to 19 form part of these financial statements.

FRENCHAY AND SOUTHMEAD CARE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	19	(554,502)	(2,128,522)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		52,145	232,594
Interest paid		(691,184)	(271,157)
		(639,039)	(38,563)
CAPITAL EXPENDITURE			
Receipts from sale of tangible fixed assets		711,968	-
Payments to acquire tangible fixed assets		(5,181,290)	(4,548,951)
		(4,469,322)	(4,548,951)
MANAGEMENT OF LIQUID RESOURCES			
Withdrawals from short term deposits		1,919,668	229,039
FINANCING			
Capital grant received		770,000	1,895,000
Increase in loan debt		2,900,422	2,901,521
		3,670,422	4,796,521
Decrease in cash	19	£ (72,773)	£ (1,690,476)

The accounting policies and notes on pages 12 to 19 form part of these financial statements.

FRENCHAY AND SOUTHMEAD CARE TRUST

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
INCOME			
Contract income		14,192,459	7,874,240
Resident's contributions		5,534,250	6,363,358
Interest receivable		49,605	230,199
Net surplus on disposal of fixed assets		220,660	-
Other income		46,563	25,629
		-----	-----
INCOMING RESOURCES BEFORE TRANSFERS		20,043,537	14,493,426
 Release of capital grant	15	62,178	55,073
		-----	-----
		20,105,715	14,548,499
		-----	-----
 DIRECT CHARITABLE EXPENDITURE	1	19,956,668	14,542,670
 OTHER EXPENDITURE	2	65,593	223,148
		-----	-----
TOTAL EXPENDITURE		20,022,261	14,765,818
		-----	-----
 NET SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	7	£ 83,454	£ (217,319)
		=====	=====

There were no acquisitions or discontinued operations during the year.

The accounting policies and notes on pages 12 to 19 form part of these financial statements.

FRENCHAY AND SOUTHMEAD CARE TRUST

STATEMENT OF ACCOUNTING POLICIES

Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice, Accounting by Charities. The trustees have, in accordance with s.226 of the Companies Act 1985, departed from the standard format of the income and expenditure account in order to give a true and fair view and comply with the Statement of Recommended Practice.

Capital grants

Capital grants are received for the purchase or improvement of property, and therefore represent restricted funds. Capital grants are credited directly to a capital reserve and then released to the income and expenditure account over the useful economic life of the properties to which they relate, to match depreciation charges provided.

Charitable commitments

Charitable commitments relate to the provision of continuing care for existing residents, and agreements entered into as part of the hospital reprovision programme. All future charitable commitments will be met from future funding, via contract income from Social Services and Avon Health, and residents' contributions. Expenditure in respect of charitable commitments is therefore not recognised in the financial statements.

Depreciation of tangible fixed assets

Depreciation is calculated to write down the cost, less estimated residual value, of fixed assets over their expected useful lives.

The bases and rates applicable are as follows:

Freehold properties	2% straight line
Furniture, fittings and equipment	20% straight line
Motor vehicles	20% straight line

No depreciation is charged on freehold land.

Taxation

The charitable nature of the Trust and the nature of its activities mean that any surplus from day to day operations is not subject to Corporation Tax.

Allocation of costs

The majority of costs incurred by the Trust relate directly to the provision and running of its homes, and are therefore analysed as direct charitable expenditure. Included within these costs are support costs, consisting mainly of head office salaries and overheads.

Costs analysed as other expenses consist of audit fees, legal fees and interest payments only, since these are the only costs not relating directly to the charitable activities of the company.

Defined contribution pension schemes

Contributions payable to defined contribution pension schemes are charged to the income and expenditure account in the period to which they relate.

Defined benefit pension schemes

Contributions payable to the National Health Service defined benefit pension scheme are calculated using actuarial valuation methods in accordance with the requirements of Statement of Standard Accounting Practice 24. Expected pension costs are provided for over the service lives of employees within the scheme. Should variations from the regular costs be required they would be allocated over the expected remaining service lives of current employees within the scheme.

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1. Support costs

Direct charitable expenditure includes the following overhead costs incurred directly in support of the objects of the charity:

	2000 £	1999 £
Head office rent and utilities	85,908	55,929
Head office staffing costs	471,731	390,130
Staff training and development	185,008	129,162
Staff recruitment	53,607	49,942
Staff and payroll support costs	50,801	25,767
Accountancy and computer consultancy	16,482	52,340
Other professional fees	18,708	14,587
Bank charges	54,242	15,616
Other head office expenses	75,945	69,786
Depreciation of head office equipment	35,336	24,167
	<u>£ 1,047,768</u>	<u>£ 827,426</u>

2. Other expenditure

Other expenditure consists of the following:

	2000 £	1999 £
Internal and external audit fees	13,113	10,513
Legal expenses	19,866	11,767
Interest payable	32,614	178,214
Development costs	-	22,654
	<u>£ 65,593</u>	<u>£ 223,148</u>

3. Interest payable

	2000 £	1999 £
Mortgage interest	285,840	271,157
Other interest	32,614	178,214
	<u>£ 318,454</u>	<u>£ 449,371</u>

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

4. Trustees' expenses

Trustees were reimbursed £572 (1999 £581) in respect of travel and other out-of-pocket expenses incurred during the year. No remuneration has been paid to any trustee.

5. Staff costs

	2000 £	1999 £
Employee costs:		
Wages and salaries	13,934,568	7,100,055
Social security costs	992,710	566,624
Other pension costs	341,516	157,679
	<u>£ 15,268,794</u>	<u>£ 7,824,358</u>

6. Employees

The average number of employees employed during the year were as follows:

	Contracted staff		Whole time equivalents	
	2000	1999	2000	1999
Management and administration	20	19	20	19
Care staff	1,128	624	872	483
	<u>1,148</u>	<u>643</u>	<u>892</u>	<u>502</u>

There was one employee whose emoluments for the year were in the range from £50,000 to £60,000.

7. Surplus for the financial year

	2000 £	1999 £
Surplus is stated after charging:		
Depreciation of owned assets	265,906	220,013
Operating leases - property rental	682,032	359,113
- motor vehicles	24,869	11,190
Auditors' remuneration		
Audit fees	7,000	5,500
Non audit fees	3,216	18,540
	<u>£ 979,823</u>	<u>£ 614,356</u>

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

8. Pension costs

The company operates three defined contribution pension schemes and one pension scheme providing benefits based on final pensionable pay. The assets of all pension schemes are held separately from those of the company in independently administered funds.

Contributions payable by the company to the defined contributions schemes amounted to £30,132 (1999 £15,639). Contributions totalling £1,387 (1999 £4,231) were payable to these funds at the balance sheet date and are included in creditors.

The Trust is eligible for membership of the NHS Pension Scheme which is a defined benefits scheme for the National Health Service and other approved organisations. The assets of the scheme are deemed to be invested in government securities. The cost of pensions are met by a level percentage contribution called the Normal Contribution rate, currently 5%, calculated by the Government Actuary on the basis of quinquennial valuations using the prospective benefits valuation method. The most recent valuation, published in 1998, was for the five years from 1989 to 1994. This is a public document available from HM Stationery Office and for a more complete understanding you are advised to review it in its entirety. The assumptions which have the most significant effect on the results of the valuation are those relating to probable retirement ages, probable times of death and probability of withdrawal from Service. The assumptions used vary according to 17 defined groups, dependant on sex and nature of employment.

The most recent actuarial valuation showed that the value placed on notional investments amounted to £35,299 million and that the present value of benefits accrued to members amounted to £51,616 million. After allowing for the present value of future contributions by members of £8,764 million there was a balance of liabilities amounting to £7,553 million. In order to meet these liabilities and to take account of new entrants to the scheme and the effect of pension increases in the future, it was concluded that the rate of employer's contributions should increase to 5 per cent from 1 April 2000 and to 7 per cent from 1 April 2001. It was also concluded that the rate of contributions could remain at 7 per cent until the results of the next valuation were available.

Contributions payable by the Trust to the NHS Pension Fund during the year amounted to £309,384 (1999 £141,040). Employers' and employees' contributions totalling £128,624 (1999 £59,090) were payable to these funds at the balance sheet date and are included within creditors.

9. Indemnity insurance

The Trust has an indemnity insurance policy to cover the liability of Trustees in respect of negligence, default, breach of trust or breach of duty, providing that the claim does not relate to any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by one or more Trustees in reckless disregard to whether it was a breach of trust or breach of duty. The annual premium payable during the year amounted to £1,575 (1999 £1,352).

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

10. Tangible fixed assets

	Freehold properties	Fixtures & equipment	Motor vehicles	Total
	£	£	£	£
COST				
At 1 April 1999	9,853,719	355,634	70,483	10,279,836
Additions	5,208,886	76,212	63,240	5,348,338
Disposals	(827,108)	(15,281)	(33,325)	(875,714)
	-----	-----	-----	-----
At 31 March 2000	14,235,497	416,565	100,398	14,752,460
	-----	-----	-----	-----
DEPRECIATION				
At 1 April 1999	554,615	122,867	23,857	701,339
Charge for the year	151,567	78,821	35,518	265,906
Disposals	(81,289)	(4,453)	(6,665)	(92,407)
	-----	-----	-----	-----
At 31 March 2000	624,893	197,235	52,710	874,838
	-----	-----	-----	-----
NET BOOK VALUE				
At 31 March 1999	£ 9,299,104	£ 232,767	£ 46,626	£ 9,578,497
	=====	=====	=====	=====
At 31 March 2000	£ 13,610,604	£ 219,330	£ 47,688	£ 13,877,622
	=====	=====	=====	=====

The net book value of freehold properties includes £2,503,277 (1999 £1,640,677) in respect of non-depreciable land.

11. Debtors

	2000 £	1999 £
Residents' contributions	314,081	255,742
Contract income	431,091	100,604
Other trade debtors	68,464	11,145
Completion monies on property sales	292,000	-
Other debtors	37,119	18,449
Prepayments and accrued income	41,323	45,512
	-----	-----
	£ 1,184,078	£ 431,452
	=====	=====

Other debtors include £21,832 (1999 £14,363) in respect of staff car loans, repayable by instalments at rates of interest similar to those received on monies invested. Included within this amount is £4,888 (1999 £6,949) falling due in more than one year. All other debtors are receivable within one year.

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

12. Creditors - amounts falling due within one year

	2000 £	1999 £
Mortgage loans (note 13)	309,000	196,000
Other loan (note 14)	2,200,000	2,200,000
Avon Health payments received in advance	1,458,000	2,372,731
Trade creditors	758,673	655,777
Tax and social security	-	186,536
Residents' funds	183,275	146,542
Other creditors	146,261	68,298
Accruals	434,787	183,500
	<u>£ 5,489,996</u>	<u>£ 6,009,384</u>

13. Creditors - amounts falling due after more than one year

All long-term creditors are mortgage loans with banks and building societies. They are secured on property and are repayable by instalments, with interest charged at normal commercial rates.

Maturity of debt - mortgage loans:	2000 £	1999 £
Amounts falling due:		
Within one year (note 12)	309,000	196,000
Within 1 to 2 years	485,000	209,000
Within 2 to 5 years	1,692,000	721,000
In more than 5 years	4,099,940	2,559,518
	<u>6,585,940</u>	<u>3,685,518</u>
Less: amounts falling due within one year (note 12)	<u>(309,000)</u>	<u>(196,000)</u>
	<u>£ 6,276,940</u>	<u>£ 3,489,518</u>

14. Other loan

A short term interest free loan has been received from Avon Health to assist with the purchase and development of new properties, to be repaid once development is complete and mortgage finance secured.

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

15. Restricted capital fund and capital grants

The restricted capital fund represents grants received by the Trust for specific capital purposes, less amounts released to the Income and Expenditure account to offset related depreciation charges.

Capital grants are made to the Trust by Avon Health for the purpose of investing in property. It is a condition of the grant agreements that the property so purchased is used for specified charitable purposes and that if either the property ceases to be used for those purposes or properties are sold without similar reinvestment then the grants become repayable. All properties will continue to be used for the specified charitable purposes and there is no intention to sell properties without reinvestment of capital grants in the foreseeable future. It is therefore considered that no provision should be made for grants potentially repayable to Avon Health.

16. Capital commitments

At 31 March 2000 there were contracted for capital commitments amounting to £1,926,000 (1999 £560,000) in respect of the purchase and/or development of six homes, and capital commitments authorised but not contracted for amounting to £1,070,000 (1999 £6,600,000) in respect of the potential purchase and development of two new homes.

17. Operating lease commitments

At 31 March 2000 the Trust had the following annual commitments under non-cancellable operating leases in respect of land and buildings:

	2000	1999
	£	£
Expiring within one year	518,718	534,837
Expiring in one to two years	24,851	27,250
Expiring in two to five years	84,425	119,632
	£ 627,994	£ 681,719

18. Limited liability status

The company is limited by guarantee and has no share capital.

FRENCHAY AND SOUTHMEAD CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

19. Cash flow statement

	2000 £	1999 £
Reconciliation of operating surplus to net cash inflow from operating activities		
Net surplus/(deficit) for the financial year	83,454	(217,319)
Interest receivable	(49,605)	(230,199)
Interest payable	318,454	449,371
Depreciation	265,906	220,013
Profit on disposal of fixed assets	(220,660)	-
Increase in debtors	(397,615)	(107,061)
Decrease in creditors	(492,258)	(2,188,254)
Release of capital grant	(62,178)	(55,073)
	-----	-----
Net cash outflow from operating activities	£ (554,502)	£ (2,128,522)
	=====	=====

Reconciliation of net cash flow to movement in net debt

Decrease in cash in the year	(72,773)	(1,690,476)
Increase in mortgage debt	(2,900,422)	(701,520)
Increase in short term loan	-	(2,200,000)
Decrease in liquid resources	(1,919,668)	(229,039)
	-----	-----
Change in net debt	(4,892,863)	(4,821,035)
Net funds at 1 April 1998	(3,028,019)	1,793,016
	-----	-----
Net debt at 31 March 1999	£ (7,920,882)	£ (3,028,019)
	=====	=====

Analysis of change in net debt

	At 1 April 1999	Cash flows	Other changes	At 31 March 2000
	£	£	£	£
Short term bank deposits	2,494,668	(1,919,668)	-	575,000
Other cash at bank and in hand	362,831	(72,773)	-	290,058
Mortgages due within one year	(196,000)	196,000	(309,000)	(309,000)
Mortgages due in more than one year	(3,489,518)	(3,096,422)	309,000	(6,276,940)
Avon Health short term loan	(2,200,000)	-	-	(2,200,000)
	-----	-----	-----	-----
	(3,028,019)	(4,892,863)	-	(7,920,882)
	=====	=====	=====	=====