

**CHARITY REGISTRATION NUMBER: SC047168**

**Isobel Fraser Home  
Financial Statements  
30 September 2019**

**Isobel Fraser Home**  
**Financial Statements**  
**Year ended 30 September 2019**

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**Isobel Fraser Home**  
**Trustees' Annual Report**  
**Year ended 30 September 2019**

The trustees present their report and the financial statements of the charity for the year ended 30 September 2019.

**Reference and administrative details**

**Registered charity name** Isobel Fraser Home

**Charity registration number** SC047168

**Principal office** 4A Mayfield Road  
Inverness  
IV2 4AE

**The trustees**

Chair	D Henderson	
Vice Chair	R Simon Cole-Hamilton	
Treasurer	R McPhee	
Secretary	O Sim	Resigned 30/07/2019
	C I Chancellor	
	E Smart	Resigned 30/06/2019
	J Harbison	
	D MacKenzie	
	A Sillars	Appointed 31/10/2018
	D Connell	Appointed 12/12/2018
	I Whyte	Appointed 31/10/2018
	A Munro	Appointed 19/06/2019

**Auditor** FKF Accounting Limited  
Chartered accountants & statutory auditor  
Metropolitan House  
31-33 High Street  
Inverness  
IV1 1HT

# Isobel Fraser Home

## Trustees' Annual Report *(continued)*

Year ended 30 September 2019

### Structure, governance and management

The Isobel Fraser Home is a Scottish Charitable Incorporated Organisation (SCIO) set up to provide equipped and staffed care accommodation for elderly persons who for reasons of health, age or personal circumstances find it impossible to live alone. A Board of Trustees consisting of Chairman, Vice-chairman, Secretary, Treasurer and other Trustees, who meet no less than six times per annum, conducts the affairs of the Home. A Manager and Deputy Manager are appointed by the Trustees to see to the day-to-day running of the Home.

On 1 October 2017 the Isobel Fraser Home (SCIO) assumed the activities and all the assets and liabilities of its predecessor charity Isobel Fraser Residential Home (Scottish Charity Number 016007).

### Risk management

The Board of Trustees reviews the major risks the Charity faces on a regular basis and has internal control policies and procedures in place to maintain risks at a minimum.

### Board of Trustees

The members of the Board of Trustees are trustees for the purpose of charity law. The Members who served during the year are as listed on page 1. New members are recommended to the Trustees and if considered suitable are co-opted during the year with their appointment being renewed by members at the following Annual General Meeting.

### Investment policy

The investment policy is subject to advice given by independent professional advisors having regard to the Home's status as a charity. The aims are to maintain the capital value of the investments and to obtain a reasonable level of income.

### Objectives and activities

The objectives of the Home are to provide the best possible standards of care for its residents, with appropriate attention to their individual and collective requirements. This includes the provision of high standards of accommodation and catering, personalised health care and activity programmes and a communal environment that is demonstrably safe, positive, engaging and conducive to a good quality of living experience for all residents.

### Achievements and performance

During the year, the Home achieved high assessments of performance following an unscheduled inspection by the government's Care Inspectorate. On their six areas of inspection, the Home received one *Excellent* grade, three *Very Good* and two *Good*. This represented an improvement from four *Good* grades in the previous year.

Considerable effort and expenditure were made during the year to upgrade the premises, furnishings and garden areas and to enhance residents' activity programmes.

### Financial review

The total income for the year was £1,291,564 compared with £1,162,637 for the previous year. The occupancy rate was again satisfactory.

The deficit for the year amounted to £42,115 compared to a deficit of £2,096 for the previous year. The deficit arose primarily due to increased staff costs and a one-off rebranding exercise. Repairs and maintenance continued at an increased level and depreciation was higher due to capital expenditure in the previous year.

**Isobel Fraser Home**  
**Trustees' Annual Report** *(continued)*  
**Year ended 30 September 2019**

**Financial review** *(continued)*

We continue to review salaries and wages at regular intervals in order to recruit and retain the quality of staff we feel we require. With the higher wage costs the trustees consider the results to be acceptable. The Trustees are budgeting for a break-even position in 2019/20.

We consider that the building is adequately covered for insurance purposes at a replacement value of £3.28 million.

The trustees have considered the financial position of the charity and assessed the risks facing its business. In making this assessment they have considered the charity's ability to meet its future liabilities as they fall due and to comply with the financial covenants that the company has entered. The trustees have concluded that it is appropriate to use the going concern concept in preparing these financial statements. The Trustees have taken account of the possible effects of the Covid-19 crisis on its affairs and factored it into their risk register.

**Trustees' responsibilities statement**

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

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

D Henderson  
Trustee  
Chair

R McPhee  
Trustee  
Treasurer

# Isobel Fraser Home

## Independent Auditor's Report to the Members of Isobel Fraser Home

Year ended 30 September 2019

### Opinion

We have audited the financial statements of Isobel Fraser Home (the 'charity') for the year ended 30 September 2019 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 22 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

# Isobel Fraser Home

## Independent Auditor's Report to the Members of Isobel Fraser Home *(continued)*

Year ended 30 September 2019

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) 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
- adequate 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.

### Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Isobel Fraser Home

## Independent Auditor's Report to the Members of Isobel Fraser Home *(continued)*

### Year ended 30 September 2019

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# Isobel Fraser Home

## Independent Auditor's Report to the Members of Isobel Fraser Home *(continued)*

### Year ended 30 September 2019

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Jillian Munro MA CA (Senior Statutory Auditor)

For and on behalf of  
FKF Accounting Limited  
Chartered accountants & statutory auditor  
Metropolitan House  
31-33 High Street  
Inverness  
IV1 1HT

.....

**Isobel Fraser Home**  
**Statement of Financial Activities**  
**Year ended 30 September 2019**

		2019		2018
	Note	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	6,333	–	6,333
Charitable activities	5	1,266,775	–	1,266,775
Investment income	6	18,456	–	18,456
<b>Total income</b>		<u>1,291,564</u>	<u>–</u>	<u>1,291,564</u>
<b>Expenditure</b>				
Expenditure on charitable activities	7,8	(1,349,047)	(400)	(1,349,447)
<b>Total expenditure</b>		<u>(1,349,047)</u>	<u>(400)</u>	<u>(1,349,447)</u>
Net gains/(losses) on investments	9	15,768	–	15,768
<b>Net expenditure and net movement in funds</b>		<u>(41,715)</u>	<u>(400)</u>	<u>(42,115)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		1,226,341	16,100	1,242,441
<b>Total funds carried forward</b>		<u>1,184,626</u>	<u>15,700</u>	<u>1,200,326</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 20 form part of these financial statements.

**Isobel Fraser Home**  
**Statement of Financial Position**  
**30 September 2019**

	Note	2019 £	£	2018 £
<b>Fixed assets</b>				
Tangible fixed assets	14		296,835	265,176
Investments	15		530,086	543,048
			<u>826,921</u>	<u>808,224</u>
<b>Current assets</b>				
Debtors	16	136,935		72,625
Cash at bank and in hand		318,908		456,997
		<u>455,843</u>		<u>529,622</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>82,433</u>		<u>95,405</u>
<b>Net current assets</b>			<b>373,405</b>	434,217
<b>Total assets less current liabilities</b>			<b>1,200,326</b>	1,242,441
<b>Net assets</b>			<b>1,200,326</b>	1,242,441
<b>Funds of the charity</b>				
Restricted funds			15,700	16,100
Unrestricted funds			1,184,626	1,226,341
<b>Total charity funds</b>	19		<b>1,200,326</b>	1,242,441

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

R McPhee  
Trustee

The notes on pages 11 to 20 form part of these financial statements.

**Isobel Fraser Home**  
**Statement of Cash Flows**  
**Year ended 30 September 2019**

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Net expenditure	(42,115)	(2,096)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	29,809	21,728
Net gains/(losses) on investments	(10,533)	2,968
Dividends, interest and rents from investments	(16,680)	(17,655)
Other interest receivable and similar income	(1,776)	(1,273)
Accrued (income)/expenses	2,968	43,490
<i>Changes in:</i>		
Trade and other debtors	(64,310)	(24,538)
Trade and other creditors	(15,934)	(4,876)
Cash generated from operations	(118,571)	17,748
Interest received	1,776	1,273
Net cash (used in)/from operating activities	<u>(116,795)</u>	<u>19,021</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	16,680	17,655
Purchase of tangible assets	(61,469)	(84,327)
Purchases of other investments	(64,722)	(237,375)
Proceeds from sale of other investments	88,217	232,208
Net cash used in investing activities	<u>(21,294)</u>	<u>(71,839)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(138,089)</b>	<b>(52,818)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>456,997</b>	<b>509,815</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>318,908</u></b>	<b><u>456,997</u></b>

The notes on pages 11 to 20 form part of these financial statements.

# Isobel Fraser Home

## Notes to the Financial Statements

Year ended 30 September 2019

### 1. General information

The charity is a public benefit entity and a registered charity in Scotland and is incorporated. The address of the principal office is 4A Mayfield Road, Inverness, IV2 4AE.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

On 1 November 2017 the SCIO assumed the activities of its predecessor charity Isobel Fraser Residential Home. Under the principles of merger accounting as defined by the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) these accounts present the results and balances of the predecessor charity as comparative figures.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 3. Accounting policies *(continued)*

##### **Tangible assets** *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	nil
Plant and machinery	-	15% straight line

##### **Investments**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
<b>Donations</b>				
Life membership	–	–	30	30
Donations	6,333	6,333	3,016	3,016
	<u>6,333</u>	<u>6,333</u>	<u>3,046</u>	<u>3,046</u>



# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 5. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2019 £</b>	Unrestricted Funds £	Total Funds 2018 £
Residents fees	1,265,684	<b>1,265,684</b>	1,139,405	1,139,405
Fundraising	1,091	<b>1,091</b>	1,258	1,258
	<u>1,266,775</u>	<u><b>1,266,775</b></u>	<u>1,140,663</u>	<u>1,140,663</u>

#### 6. Investment income

	Unrestricted Funds £	<b>Total Funds 2019 £</b>	Unrestricted Funds £	Total Funds 2018 £
Income from listed investments	16,680	<b>16,680</b>	17,655	17,655
Interest receivable	1,776	<b>1,776</b>	1,273	1,273
	<u>18,456</u>	<u><b>18,456</b></u>	<u>18,928</u>	<u>18,928</u>

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2019 £</b>
Charitable activities	1,336,343	400	<b>1,336,743</b>
Support costs	12,707	–	<b>12,707</b>
	<u>1,349,050</u>	<u>400</u>	<u><b>1,349,450</b></u>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Charitable activities	1,139,910	400	1,140,310
Support costs	21,455	–	21,455
	<u>1,161,365</u>	<u>400</u>	<u>1,161,765</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2019 £</b>	Total funds 2018 £
Charitable activities	1,336,743	6,480	<b>1,343,223</b>	1,157,136
Governance costs	–	6,227	<b>6,227</b>	4,629
	<u>1,336,743</u>	<u>12,707</u>	<u><b>1,349,450</b></u>	<u>1,161,765</u>

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 9. Net gains/(losses) on investments

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Gains/(losses) on listed investments	<u>15,768</u>	<u>15,768</u>	<u>(2,968)</u>	<u>(2,968)</u>

#### 10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	<u>29,809</u>	<u>21,728</u>

#### 11. Auditors remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>4,230</u>	<u>1,800</u>

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	961,723	823,534
Social security costs	63,818	58,732
Employer contributions to pension plans	13,119	7,362
	<u>1,038,660</u>	<u>889,628</u>

The average head count of employees during the year was 58 (2018: 49).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

#### 13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2018 - nil).

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 14. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 October 2018	186,155	178,222	<b>364,377</b>
Additions	–	61,468	<b>61,468</b>
<b>At 30 September 2019</b>	<u>186,155</u>	<u>239,690</u>	<u><b>425,845</b></u>
<b>Depreciation</b>			
At 1 October 2018	27,690	71,511	<b>99,201</b>
Charge for the year	–	29,809	<b>29,809</b>
<b>At 30 September 2019</b>	<u>27,690</u>	<u>101,320</u>	<u><b>129,010</b></u>
<b>Carrying amount</b>			
<b>At 30 September 2019</b>	<u>158,465</u>	<u>138,370</u>	<u><b>296,835</b></u>
At 30 September 2018	<u>158,465</u>	<u>106,711</u>	<u>265,176</u>

#### 15. Investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 October 2018	543,048
Additions	64,722
Disposals	(88,217)
Fair value movements	10,533
<b>At 30 September 2019</b>	<u>530,086</u>
<b>Impairment</b>	
<b>At 1 October 2018 and 30 September 2019</b>	
<b>Carrying amount</b>	
<b>At 30 September 2019</b>	<u>530,086</u>
At 30 September 2018	<u>543,048</u>

All investments shown above are held at valuation.

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 15. Investments *(continued)*

##### Financial assets held at fair value

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Trust from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Trust is reliant on dividend yield in part to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling. A weakening in the exchange rate will improve sterling returns from foreign currency denominated holdings.

Liquidity risk is anticipated to be low as all assets are publicly traded and so the ability to buy and sell quoted equities and stock is anticipated to continue.

The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions. The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield. Total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

#### 16. Debtors

	2019	2018
	£	£
Due from and on behalf of residents	58,996	63,950
Prepayments and accrued income	71,742	3,422
Other debtors	6,196	5,253
	<u>136,934</u>	<u>72,625</u>

#### 17. Creditors: amounts falling due within one year

	2019	2018
	£	£
Due to and on behalf of residents	1,377	1,184
Accruals and deferred income	32,686	53,095
Social security and other taxes	16,539	27,891
Holiday pay accrual	6,399	9,427
Other creditors	25,438	3,808
	<u>82,439</u>	<u>95,405</u>

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

#### 18. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £13,119 (2018: £7,362).

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 October 2018 £	Income £	Expenditure £	Gains and losses £	At 30 September 2019 £
General funds	<u>1,226,341</u>	<u>1,291,564</u>	<u>(1,349,050)</u>	<u>15,768</u>	<u>1,184,623</u>

	At 1 October 2017 £	Income £	Expenditure £	Gains and losses £	At 30 September 2018 £
General funds	<u>1,228,037</u>	<u>1,162,637</u>	<u>(1,161,365)</u>	<u>(2,968)</u>	<u>1,226,341</u>

##### Restricted funds

	At 1 October 2018 £	Income £	Expenditure £	Gains and losses £	At 30 September 2019 £
Fixed Assets	<u>16,100</u>	<u>—</u>	<u>(400)</u>	<u>—</u>	<u>15,700</u>

	At 1 October 2017 £	Income £	Expenditure £	Gains and losses £	At 30 September 2018 £
Fixed Assets	<u>16,500</u>	<u>—</u>	<u>(400)</u>	<u>—</u>	<u>16,100</u>

# Isobel Fraser Home

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	281,135	15,700	<b>296,835</b>
Investments	530,086	–	<b>530,086</b>
Current assets	455,843	–	<b>455,843</b>
Creditors less than 1 year	(82,438)	–	<b>(82,438)</b>
<b>Net assets</b>	<b>1,184,626</b>	<b>15,700</b>	<b>1,200,326</b>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	249,076	16,100	265,176
Investments	543,048	–	543,048
Current assets	529,622	–	529,622
Creditors less than 1 year	(95,405)	–	(95,405)
<b>Net assets</b>	<b>1,226,341</b>	<b>16,100</b>	<b>1,242,441</b>

### 21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
<b>Financial assets measured at fair value through income and expenditure</b>		
Fixed asset investments	<b>530,086</b>	543,048
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Debtors	<b>136,935</b>	72,625
<b>Financial liabilities measured at amortised cost</b>		
Creditors	<b>82,438</b>	95,405

### 22. Ethical standards

In common with many other charities of our size and nature we use our auditors to assist with the preparation of statutory financial statements.

**Isobel Fraser Home**  
**Management Information**  
**Year ended 30 September 2019**

**The following pages do not form part of the financial statements.**

# Isobel Fraser Home

## Detailed Statement of Financial Activities

Year ended 30 September 2019

	2019 £	2018 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Life membership	30	30
Donations	<u>6,303</u>	<u>3,016</u>
	<u>6,333</u>	<u>3,046</u>
<b>Charitable activities</b>		
Residents fees	1,265,684	1,139,405
Fundraising	<u>1,091</u>	<u>1,258</u>
	<u>1,266,775</u>	<u>1,140,663</u>
<b>Investment income</b>		
Income from listed investments	16,680	17,655
Interest receivable	<u>1,776</u>	<u>1,273</u>
	<u>18,456</u>	<u>18,928</u>
<b>Total income</b>	<u><u>1,291,564</u></u>	<u><u>1,162,637</u></u>



# Isobel Fraser Home

## Detailed Statement of Financial Activities *(continued)*

Year ended 30 September 2019

	2019 £	2018 £
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	961,723	823,534
Employer's NIC	63,818	58,732
Pension costs	13,119	7,362
Rates and water	14,259	13,825
Light and heat	34,444	27,688
Repairs and maintenance	57,324	57,447
Legal and professional fees	6,227	4,629
Telephone	2,043	2,078
Other office costs	7,092	7,046
Depreciation	29,809	21,728
Entertainment	8,867	2,995
Miscellaneous expenses	6,136	5,574
Payroll processing	1,740	1,680
Health and safety	6,749	4,237
Investment management fees	3,414	3,492
Residents levy	4,288	90
Supplies - cleaning	15,838	17,162
Supplies - food and drink	49,080	54,841
Supplies - misc	15,194	5,739
Supplies - uniforms	6,870	1,720
Supplies - waste disposal	5,775	5,081
Bank charges	768	699
Training and employer support	13,999	17,560
Data protection	257	70
HR costs	5,263	11,441
SCIO formation costs	960	5,315
Public relations	14,391	–
	<u>(1,349,450)</u>	<u>(1,161,765)</u>
<b>Total expenditure</b>	<u>(1,349,450)</u>	<u>(1,161,765)</u>
<b>Net gains/(losses) on investments</b>		
Gains/(losses) on listed investments	<u>15,768</u>	<u>(2,968)</u>
<b>Net expenditure</b>	<u>(42,115)</u>	<u>(2,096)</u>

# Isobel Fraser Home

## Notes to the Detailed Statement of Financial Activities

Year ended 30 September 2019

	2019 £	2018 £
<b>Expenditure on charitable activities</b>		
<b>Charitable activities</b>		
<b><i>Activities undertaken directly</i></b>		
Wages and salaries	961,723	823,534
Employer's NIC	63,818	58,732
Pension costs	13,119	7,362
Rates and insurance	14,259	13,825
Light and heat	34,444	27,688
Repairs and maintenance	57,324	57,447
Telephone	2,043	2,078
Printing, postage and stationery	7,092	7,046
Depreciation	29,809	21,728
Entertainment	8,867	2,995
Misc	6,139	5,574
Payroll processing	1,740	1,680
Health and safety	6,749	4,237
Investment management fees	3,414	3,492
Residents levy	4,288	90
Supplies - cleaning	15,838	17,162
Supplies - food and drink	49,080	54,841
Supplies - misc	15,194	5,739
Supplies - uniforms	6,870	1,720
Supplies - waste disposal	5,775	5,081
Bank charges	768	699
Training and employer support	13,999	17,560
Public relations	14,391	-
	<u>1,336,743</u>	<u>1,140,310</u>
<b><i>Support costs</i></b>		
Data protection	257	70
HR costs	5,263	11,441
SCIO formation costs	960	5,315
	<u>6,480</u>	<u>16,826</u>
<b>Governance costs</b>		
Governance costs - audit fees	4,230	1,800
Governance costs - legal and other professional fees	1,997	2,829
	<u>6,227</u>	<u>4,629</u>
<b>Expenditure on charitable activities</b>	<u>(1,349,450)</u>	<u>(1,161,765)</u>