

**The Chaseley Trust**

**Annual Report and Financial Statements**

**Year Ended 31 December 2010**

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**The Chaseley Trust**  
**(a company limited by guarantee and not having a share capital)**

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**TRUSTEES AND OTHER INFORMATION**

The Chaseley Trust Annual Report and Financial Statements for the year ended 31<sup>st</sup> December 2010.

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31<sup>st</sup> December 2010.

**Reference and Administrative Details**

Charity number: 1090579

Company number: 4344486

Principal Office: South Cliff, Eastbourne, East Sussex, BN20 7JH

Auditors: PricewaterhouseCoopers, Chartered Accountants and  
Registered Auditors, Georges Quay, Dublin 2, Ireland

Bankers: HSBC, 94 Terminus Road, Eastbourne, East Sussex, BN21 3FD

Solicitors: Cornfield Law LLB, 47 Cornfield Road, Eastbourne, East Sussex, BN21 4QN

**Trustees**

The trustees serving during the year and since the year end were as follows:

**Board of Trustees**

A Kerins (Chairperson) (Resigned 18<sup>th</sup> October 2010)  
JJQ Howes LLB  
P Salmon (Resigned 17<sup>th</sup> December 2010)  
MF Flannery (Resigned 18<sup>th</sup> October 2010)  
R Bugler  
M Gillard (Appointed Chairperson 18<sup>th</sup> December 2010)  
J Smith (Co-opted on 25<sup>th</sup> February 2010)  
K Fanneran (Appointed 18<sup>th</sup> October 2010)  
S-J Dillon (Appointed 18<sup>th</sup> October 2010)  
A Drife (Appointed 31<sup>st</sup> January 2011)

**Trust Secretary**

Temple Secretarial Ltd, Withers LLP, 16 Old Bailey, London, EC4M 7EG

**Chief Executive**

SM Wyatt RGN

## **TRUSTEES' REPORT**

### **PUBLIC BENEFIT**

The Trustees, in exercising their powers and duties, have complied with the obligations under the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission. In preparing the report and accounts the Trustees have complied with the requirements set out in that guidance to report on the significant activities and achievements of the charity in 2010. The report is structured in such a way as to set out both the aims and objectives of the charity and demonstrates how the aims and objectives were carried out for the public benefit.

### **STRUCTURE, GOVERNANCE AND RISK MANAGEMENT**

#### **Governing Document**

Chaseley Trust is a company limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association dated 21<sup>st</sup> December 2001.

On 1 April 2002, all of the assets, liabilities and activities of The Chaseley Trust (charity no. 211714) other than the property and related liabilities and funds were transferred to a new charitable company (a company limited by guarantee and not having a share capital – charity no. 1090579, company no. 4344486). Under a Uniting Direction effective from 2nd July 2003 issued by the Charity Commission under section 96(5) of the Charities Act 2006, the two organisations are combined for reporting purposes although they remain separate charities.

#### **Appointment of Trustees**

The Board of Trustees consists of seven Trustees, four of whom are appointed by Rehab Holdings Limited, and three of whom are appointed by the Secretary of State for Defence after consultation, as appropriate with the Secretary of State for Health. Rehab Holdings Limited elects a Chairperson. No trustee (director for the purpose of company law) held any interest in the company at any time during the year.

#### **Trustee Induction and Training**

New Trustees undergo an orientation day to brief them on their legal obligations under Charity and Company law, the content of the Memorandum and Articles of Association, the committee and the decision making processes, the business plan and recent financial performance of the charity. New Trustees are provided with a job description, Code of Practice, a copy of 'The Good Trustee Guide' and are encouraged to attend a training day at the local association of voluntary services (3VA). All new policies and any ongoing training required are presented to the Board either at meetings or at specially facilitated sessions.

#### **Organisation**

The Board of Trustees meets at least four times a year and sub-committees are convened to look at development and finance. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and operational related activity.

#### **Related Parties**

The parent undertaking and controlling party is the Rehab Group, a company incorporated in Ireland. The Rehab Group is the parent undertaking for the smallest group for which consolidated financial statements are prepared. The Rehab Group is a company limited by guarantee and is a charity in the Republic of Ireland and has subsidiary companies registered with the Charity Commission in the UK. The Rehab Group provides high quality education, training, development, employment, job creation and social care services for people with disabilities and other groups experiencing social and economic exclusion.

#### **Risk Management**

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

## **TRUSTEES' REPORT - continued**

### **STRUCTURE, GOVERNANCE AND RISK MANAGEMENT - continued**

#### **Risk Management - continued**

This work has identified only a few minor new risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. Particular attention has focussed on non financial risks arising from fire and the health and safety of residents and staff. Key elements in the management of financial risks included the review of the reserves policy and a review of expenditure given the uncertain financial climate.

#### **OBJECTIVES AND ACHIEVEMENTS**

The main objectives for the year continued to be the provision of long term residential and respite nursing care for people severely incapacitated. Priority was given to Ex-Service personnel in all the above circumstances and The Trust continues to offer assisted respite care placements to Ex-Service personnel in need. The Trust's gym facilities are offered for use by disabled people living in the community and outpatient physiotherapy is available. In addition, function rooms within the premises of the main Home in South Cliff, Eastbourne may be hired by other charities, public sector bodies, ex-service organisations and local community groups at minimal rates.

#### **Objectives**

The primary objects of the Charity are:

- Long term residential nursing care for men and woman over the age of 18 with severe physical disabilities;
- Respite and interim residential nursing care for men and woman over the age of 18 with severe physical disabilities;
- Slow stream rehabilitation programmes of care for men and woman in a residential nursing care setting care setting;
- Day care for men and woman over the age of 18 with severe physical disabilities in a social care setting and the secondary objects:
- Long term residential nursing care for elderly men and woman;
- Respite and interim residential nursing care for elderly men and woman
- Slow stream rehabilitation programmes of care for elderly men and woman in a residential nursing care setting;
- Day care for elderly men and woman in a social care setting.

#### **Achievements**

In 2010, Chaseley continued its training and development programmes for all staff and volunteers, and offered placements for Medical, Nursing, Physiotherapy, Occupational Therapy and Police students from Brighton University. In addition, The Trust provided school and college pupils with work experience. The Trust maintained an average rate of 5% or under in its turnover of staff and more than 80% of vacancies were filled from first hire process. Towards the end of 2010, the Care Quality Commission (CQC) conducted an unannounced inspection and found Chaseley to be compliant with all 16 outcomes of the Essential Standards for Quality and Safety. A service user survey was conducted before year end and feedback on where improvements might be implemented has been incorporated in plans for 2011.

All people using The Trust's services participated in regular care reviews and elected representatives attended Management and Trustee meetings.

Following announcements from Government regarding cutbacks in the provision of Adult Social Care funding, The Trust implemented efficiency savings throughout the year and looking ahead to 2011. Tentative discussions were initiated with other providers in the voluntary sector to explore possibilities of partnership working. In September 2010, The Trust held a seminar for Health and Social Care professionals. The Trust's website was reviewed and redesigned and a new site launched before the end of the year. The Trust also communicates through social networks. Twice yearly, Chaseley Chat magazines are distributed widely.

The Therapy Department was able to offer 30 outpatient sessions per week.

## **TRUSTEES' REPORT - continued**

### **OBJECTIVES AND ACHIEVEMENTS - continued**

#### **Achievements - continued**

The Chaseley Trust's main Home has 55 beds available. The average occupancy throughout the year was 52.6 compared to 53.33 in 2009. At the end of the year 29% of the residents were ex-service personnel. Of those now living at Chaseley, ages range from 26 to 82 years, 22 are women and the longest resident at Chaseley came in 1973. Throughout the year, Chaseley offered assisted placements to 3 ex-service personnel. In the Spring of 2010 The Trust completed the purchase of the last four units at The Chaseley Bungalows Nursing Home. As this completion date had been considerably delayed, this impacted on the Home's ability to meet its occupancy targets and, as a result, only achieved 75% occupancy by the end of the year. Chaseley Bungalows became registered for 13 service users to be accommodated in 11 Bungalows. Day Care attendances were maintained at maximum levels.

The partnership with East Sussex Outpatient Services (ESOPS) continued and by the end of the year, 30 clinics were being held.

The meeting of budgetary targets was impacted by the delay in the purchase of the 4 remaining Bungalows. Within The Trust, Chaseley Home continued to perform well. A 30 day business and 45 debtor day target was achieved.

Fundraising continued in earnest throughout the year.

In the Spring 2010, The Trust completed its application to the CQC for registration under the Health & Social Care Act 2008 to provide the following regulatory activities:

- Accommodation for persons who require nursing or personal care
- Diagnostic and screening procedures
- Treatment of disease, disorder or injury

The Trust now operates within the new compliance framework.

#### **Financial Review**

The Charity's total net incoming resources for the year amounted to £144,244 (2009: £50,339).

The Trust is grateful for the generosity of the charity's many friends who make bequests from their wills and make donations towards our costs.

The principal funding sources, aside from bequests, were Private Capitation income £178,887(2009: £244,039), War Pension income £455,208 (2009: £399,902), Social Services income £1,601,739 (2009: £1,765,969), Health Authorities income £1,490,160 (2009: £1,183,290) and Private income £193,723 (2009: £114,870).

#### **Investment Powers and Policy**

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees wish. The Trustees, having regard to the liquidity requirements of operating the trust and to the reserves policy, have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail price index.

#### **Reserve Policy**

The Trustees have reviewed the reserves position of the charity in order to ascertain whether or not the funds that they are holding are adequate for its work. In doing this they have taken into consideration the assets required for the long term care of service users, reasonable working capital required given their knowledge of the various funding agencies supporting the trust, development projects and unforeseen circumstances.

## **TRUSTEES' REPORT - continued**

### **OBJECTIVES AND ACHIEVEMENTS - continued**

#### **Reserve Policy - continued**

At 31 December 2010, Chaseley had £3,458,528 (2009: £3,314,304) of reserves of which £1,628,240 (2009: £1,485,124) was unrestricted. The trustees have designated £4,859,940 (2009: £4,285,359) which is represented by the property and fixed assets held for the longer term residential care of service users. The Trustees are of the opinion that free reserves (reserves available for working capital, development and re-provision of the service) should at a minimum equal three months residential accommodation and care revenue which as at 31 December 2010 amounted to £1,078,687 (2009: £1,018,202). At 31 December 2010, free reserves were £1,628,240 (2009: £1,485,124) and therefore have reached the target level.

Taking into account the nature of current revenue funding from various agencies, the improved reserve position of the trust over the last two years and the continuing support of the Rehab Group, the Trustees are satisfied with the current level of reserves. However, Trustees have agreed to keep the reserves policy under regular review.

### **PLANS FOR THE FUTURE**

The Trustees continue to explore ways of expanding the Trust's services in Eastbourne and surrounding areas. In 2011 there are plans to increase further the amount of NHS consultant led clinics from its premises in South Cliff and to continue operating its second CQC Registered Care Home with Nursing at The Sidings, Eastbourne, East Sussex BN22 8QX.

The Trustees are cognisant of the present economic climate and further to the efficiency savings implemented in 2010, will be closely monitoring expenditure throughout 2011 when a further programme of efficiency savings will be implemented as a result of the anticipated reduction in funding from the Local Authority.

If an opportunity should arise, The Trust still seeks to provide domiciliary care services in the community.

### **TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period, which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing those accounts, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The Trustees are responsible for maintaining accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act, 2006. 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.

In accordance with company law as the company's Trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

**TRUSTEES' REPORT - continued**

**AUDITORS**

A resolution will be proposed at the Annual General Meeting that PricewaterhouseCoopers be re-appointed as auditors to the charity for the ensuring year.

**By order of the Trustees**

  
M Gillard

18 May 2011

Company name: The Chaseley Trust  
Company number: 4344486

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHASELEY TRUST**

We have audited the financial statements of The Chaseley Trust for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure and cash flows, 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 Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHASELEY TRUST -  
continued**

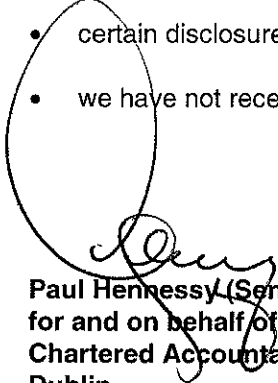
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
**Paul Hennessy (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin**

23 June 2011

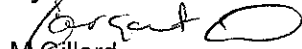
**The Chaseley Trust**  
**(a company limited by guarantee and not having a share capital)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the Year Ended 31 December 2010**

		The Chaseley Trust (1090579)	The Chaseley Trust (211714)		
	Unrestricted funds	Restricted funds	Restricted funds	2010 Total funds	2009 Total funds
Notes	£	£	£	£	£
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
<i>Voluntary income:</i>					
	51,095	66,658	-	117,753	61,502
	-	-	-	-	-
Investment income	2 920	-	-	920	927
	52,015	66,658	-	118,673	62,429
<i>Incoming resources from charitable activities:</i>					
	4,184,220	-	-	4,184,220	3,939,050
Outpatient care	130,527	-	-	130,527	133,759
	4,314,747	-	-	4,314,747	4,072,809
<b>Total incoming resources</b>	<b>4,366,762</b>	<b>66,658</b>	<b>-</b>	<b>4,433,420</b>	<b>4,135,238</b>
<b>Resources expended</b>					
	(24,452)	-	-	(24,452)	(22,489)
<b>Charitable activities:</b>					
Nursing and care services	3 (4,190,319)	(50,319)	(15,231)	(4,255,869)	(4,051,384)
Governance costs	(8,875)	-	-	(8,875)	(11,026)
<b>Total resources expended</b>	<b>(4,223,646)</b>	<b>(50,319)</b>	<b>(15,231)</b>	<b>(4,289,196)</b>	<b>(4,084,899)</b>
<b>Net incoming (outgoing) resources for the year</b>	<b>143,116</b>	<b>16,339</b>	<b>(15,231)</b>	<b>144,224</b>	<b>50,339</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward at 1 January 2010</b>	<b>1,485,124</b>	<b>533,244</b>	<b>1,295,936</b>	<b>3,314,304</b>	<b>3,263,965</b>
<b>Total funds carried forward at 31 December 2010</b>	<b>1,628,240</b>	<b>549,583</b>	<b>1,280,705</b>	<b>3,458,528</b>	<b>3,314,304</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

By order of the Trustees

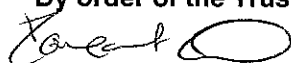
  
M. Gillard

**The Chaseley Trust**  
(a company limited by guarantee and not having a share capital)

**BALANCE SHEET**  
As at 31 December 2010

	Notes	£	2010 £	£	2009 £
<b>Fixed assets</b>					
Tangible assets	4		4,859,940		4,285,359
<b>Current assets</b>					
Stocks		1,620		1,577	
Debtors	5	387,318		754,916	
Cash at bank and in hand		<u>718,799</u>		<u>257,898</u>	
		1,107,737		1,014,391	
<b>Creditors - amounts falling due within one year</b>	6	<u>(448,228)</u>		<u>(315,358)</u>	
<b>Net current assets</b>			<u>659,509</u>		<u>699,033</u>
<b>Total assets less current liabilities</b>			5,519,449		4,984,392
<b>Creditors - amounts falling due in more than one year</b>	7		<u>(2,060,921)</u>		<u>(1,670,088)</u>
<b>Net assets</b>			<u>3,458,528</u>		<u>3,314,304</u>
<b>The funds of the charity</b>					
<b>Restricted funds</b>					
The Chaseley Trust - 211714	8, 9	1,280,705		1,295,936	
The Chaseley Trust - 1090579		<u>549,583</u>		<u>533,244</u>	
			1,830,288		1,829,180
<b>Unrestricted funds</b>					
General fund	8		<u>1,628,240</u>		<u>1,485,124</u>
			<u>3,458,528</u>		<u>3,314,304</u>

By order of the Trustees



M Gillard

Company name: The Chaseley Trust  
Company number: 4344486

**CASH FLOW STATEMENT**  
Year Ended 31 December 2010

	Note	2010 £	2009 £
<b>Reconciliation of net incoming resources to net cash inflow from operating activities</b>			
Net incoming resources		144,224	50,339
Non-operating cashflows eliminated		-	-
Investment income		(920)	(927)
Depreciation charges		220,981	188,811
Decrease/(increase) in debtors		367,598	(246,418)
(Decrease)/increase in creditors		(12,913)	32,143
(Increase) in stock		(43)	-
<b>Net cash inflow from operations</b>		<b>718,927</b>	<b>23,948</b>
<b>Returns on investment and servicing of finance</b>			
Interest received		920	927
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(795,561)	(1,467,769)
<b>Net cash (outflow) before financing</b>	11	<b>(75,715)</b>	<b>(1,442,894)</b>
<b>Financing</b>			
Increase in mortgage		473,333	1,426,667
Decrease in inter-group loan		-	-
<b>Increase/(decrease) in cash</b>		<b>397,619</b>	<b>(16,227)</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting policies

#### (a) Accounting convention

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of fixed assets.

#### (b) Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in the United Kingdom, United Kingdom statute comprising the Companies Act, 2006 and the Statement of Recommended Practice -Accounting and Reporting by Charities (SORP 2005) issued in March 2005. Accounting standards generally accepted in the United Kingdom in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in England and Wales and issued by the Accounting Standards Board. The financial statements are prepared on a going concern basis under the historical cost convention.

#### (c) Investment income

Interest received is brought into account on a cash received basis.

#### (d) Incoming resources

Income including accommodation and respite income is recognised when receivable. Any related tax credits are accounted for when received.

Voluntary income including donations, gifts and legacies are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

#### (e) Donated services and facilities

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

#### (f) Resources expended

Expenditure is recognised when a liability is incurred:

- Cost of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with.
- Support, management and admin include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

In general, expenditure is allocated between expense categories on an invoice basis, staff costs are apportioned on the basis of actual time spent and general overhead costs are allocated between services and support costs in proportion to staff costs.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Accounting policies - continued

(g) Fixed assets and depreciation

Depreciation is calculated to write off the cost or revalued amount less estimated residual value of all fixed assets other than freehold land on a straight line basis over their estimated useful lives.

The rates of depreciation are as follows:

Freehold property	Straight line over 25 years
Computer equipment	Straight line over 3 years
Other equipment	Straight line over 5 years
Fixtures and fittings	Straight line over 10 years
Motor vehicles	Straight line over 5 years

These rates are applied to the cost and/or valuation value in each class of fixed asset.

(h) Taxation

The entry is a registered charity (number 1090579). All its activities are exempt from direct taxation.

(i) Pension costs

Contributions payable to the charity's defined contribution pension scheme are charged to the Statement of Financial Activities in the year to which they relate.

(j) Operating leases

Operating lease payments are charged to the Statement of Financial Activities in the period to which they relate.

2 Investment income	Unrestricted	Restricted	Total 2010	Total 2009
	£	£	£	£
Bank interest receivable	920	-	920	927

3 Analysis of charitable expenditure	Staff costs	Depreciation	Other costs	Total 2010	Total 2009
	£	£	£	£	£
Cost of generating funds	21,620	-	2,832	24,452	22,489
Charitable activities:					
- nursing and care services	2,527,694	220,980	1,507,195	4,255,869	4,051,384
Governance costs	-	-	8,875	8,875	11,026
Total	2,549,314	220,980	1,518,902	4,289,196	4,084,899

**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>3 Analysis of charitable expenditure - continued</b>	Cost of generating funds £	Nursing and care services £	Governance Costs £	Total 2010 £	Total 2009 £
Other costs comprise:					
Medical and nursing	-	489,368	-	489,368	370,419
Catering and house-keeping	-	377,031	-	377,031	378,841
Premises costs, maintenance and security	-	254,890	-	254,890	294,105
Audit fees	-	-	8,875	8,875	11,026
Miscellaneous	2,832	294,812	-	297,644	339,206
Bad debt expense	-	2,500	-	2,500	34,500
Legal fees	-	88,594	-	88,594	27,864
	<u>2,832</u>	<u>1,507,195</u>	<u>8,875</u>	<u>1,518,902</u>	<u>1,455,961</u>

2010	2009
£	£

Staff costs comprise:

Wages and salaries	2,292,326	2,191,792
Social security costs	184,834	179,606
Pension costs	72,154	68,729
	<u>2,549,314</u>	<u>2,440,127</u>

2010	2009
Number	Number

The average number of employees during the year analysed by function was:

Provision of services	<u>174</u>	<u>159</u>
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89 of the 174 staff were employed on a full time basis. The remaining 85 are part time or bank staff.

No employee earned more than £60,000 p.a. during the year.

The Chaseley Trust  
(a company limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Tangible fixed assets	Freehold land and buildings £	Fixtures and fittings £	Other equipment £	Computers £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 January 2010	4,311,838	374,153	578,971	77,698	107,861	5,450,521
Additions	604,668	122,397	59,574	8,922	-	795,561
Disposals	-	-	-	-	-	-
At 31 December 2010	4,916,506	496,550	638,545	86,620	107,861	6,246,082
Comprising:						
Cost	3,316,506	496,550	638,545	86,620	107,861	4,646,082
Valuation 1995	-	-	-	-	-	-
Valuation 2001	1,600,000	-	-	-	-	1,600,000
	4,916,506	496,550	638,545	86,620	107,861	6,246,082
<b>Accumulated depreciation</b>						
At 1 January 2010	364,260	116,002	519,290	75,619	89,991	1,165,162
Charge for year	135,995	42,627	34,264	2,451	5,643	220,980
Disposals	-	-	-	-	-	-
At 31 December 2010	500,255	158,629	553,554	78,070	95,634	1,386,142
<b>Net book value</b>						
At 31 December 2010	4,416,251	337,921	84,991	8,550	12,227	4,859,940
At 31 December 2009	3,947,578	258,151	59,681	2,079	17,870	4,285,359

Freehold property was valued by the trustees at 31 March 1995 on the basis of retained records and insurance values. This value has been frozen and will not be revalued as allowed by the transitional rules of FRS15. An annual impairment review has been carried out by the trustees.

All of the tangible fixed assets are used for direct charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>5 Debtors</b>	Total 2010 £	Total 2009 £
<b>Due within one year</b>		
Fees receivable	311,719	686,413
Provision for bad debts	(26,572)	(48,011)
Other debtors	(246)	(702)
Prepayments and accrued income	<u>102,417</u>	<u>117,216</u>
	<u>387,318</u>	<u>754,916</u>
<b>6 Creditors - amounts falling due within one year</b>	Total 2010 £	Total 2009 £
Bank overdraft	74,969	11,686
Bank loans	142,500	-
Trade creditors	62,880	102,522
Taxation and social security creditors	63,875	55,313
Other creditors	8,512	6,842
Accruals	95,492	78,995
Amounts going to group undertakings	-	60,000
	<u>448,228</u>	<u>315,358</u>
<b>7 Creditors - amounts falling due in more than one year</b>	Total 2010 £	Total 2009 £
Bank loans	1,757,500	1,426,667
Amounts owed to group undertakings:		
Group	<u>303,421</u>	<u>243,421</u>
	<u>2,060,921</u>	<u>1,670,088</u>
<b>Bank loans and overdrafts - maturity and security</b>	2010 £	2009 £
<b>Maturity of debt</b>		
In one year or less on demand	142,500	-
In more than one year, but not more than two years	190,000	107,000
In more than two years, but not more than five years	570,000	570,667
In more than five years	<u>997,500</u>	<u>749,000</u>
	<u>1,900,000</u>	<u>1,426,667</u>

Chaseley Trust has a 12 year term loan with HSBC which is used to finance the purchase of the "Sidings" bungalows. The final portion of the mortgage (£473,333) was drawn down in 2010 to complete the purchase of the remaining four bungalows.

Capital repayments on the mortgage will commence in 2011.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**7 Creditors - amounts falling due in more than one year - continued**

**Security schedule**

First Legal Mortgage over the freehold property of The Chaseley Trust Limited known as South Cliff, Eastbourne, East Sussex.

Debenture comprising fixed and floating charges over all the assets and undertaking of the Borrower including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

<b>8 The funds of the charity comprise the following:</b>	Unrestricted	Chaseley (1090579) Restricted	Chaseley (211714) Restricted	Total 2010	Total 2009
	£	£	£	£	£
Opening funds at 1 January 2010	1,485,124	533,244	1,295,936	3,314,304	3,263,965
Incoming resources	4,366,762	66,658	-	4,433,420	4,135,238
Resources expended	<u>(4,223,646)</u>	<u>(50,319)</u>	<u>(15,231)</u>	<u>(4,289,196)</u>	<u>(4,084,899)</u>
Closing funds at 31 December 2010	<u>1,628,240</u>	<u>549,583</u>	<u>1,280,705</u>	<u>3,458,528</u>	<u>3,314,304</u>
Fund balances at 31 December 2010 are represented by:					
Tangible fixed assets	3,086,760	492,475	1,280,705	4,859,940	4,285,359
Stock	1,620	-	-	1,620	1,577
Debtors	387,318	-	-	387,318	754,916
Cash at bank and in hand	661,691	57,108	-	718,799	257,898
Liabilities	<u>(2,509,149)</u>	<u>-</u>	<u>-</u>	<u>(2,509,149)</u>	<u>(1,985,446)</u>
Total net assets	<u>1,628,240</u>	<u>549,583</u>	<u>1,280,705</u>	<u>3,458,528</u>	<u>3,314,304</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>9 Restricted funds</b>	Balance at 1 January 2010 £	Incoming resources £	Depreciation £	Other resources expended £	Balances at 31 December 2010 £
The Chaseley Trust (211714)	1,295,936	-	(15,231)	-	1,280,705
Diamond Jubilee Appeal fund	431,784	-	(18,231)	-	413,553
Golden Jubilee Appeal fund	12,178	-	-	-	12,178
Army Benevolent fund (Soldiers Charity)	38,181	28,000	(2,543)	(2,815)	60,823
Queen Mary's Roehampton	7,949	7,000	(515)	(133)	14,301
Coach/caravan	1,012	4,200	-	-	5,212
Security system	313	-	(313)	-	-
Sound machine	573	-	(573)	-	-
Satellite	758	-	(758)	-	-
Devonshire Trust	3,600	-	(200)	-	3,400
King George's Fund (Seafarers)	-	5,000	(349)	(2,113)	2,538
Patio	19,544	-	(3,257)	-	16,287
Jereham Legacy	5,275	1,659	-	-	6,934
Other assets	12,077	20,799	(1,351)	(17,168)	14,357
	<u>1,829,180</u>	<u>66,658</u>	<u>(43,321)</u>	<u>(22,229)</u>	<u>1,830,288</u>

The Diamond Jubilee Appeal Fund was established to raise funds to improve the building owned by the charity, specifically for improvements to therapies, the IT suite and residents' comfort. All funds relating to the Diamond Jubilee Project have been fully expended and capitalised, with the asset being depreciated over 25 years.

The Golden Jubilee Appeal Fund was established to raise funds for improvements to the building owned by the charity.

The Army Benevolent fund (Soldiers Charity) represents money received for various purposes including CCTV equipment, funding for the Computer Activities Supervisor post, training of nursing staff, essential nursing equipment, grounds maintenance and upgrading of catering facilities. During 2010, a donation was made towards overhead hoists.

The Queen Mary's Roehampton fund represents money received for improvements to the building. During 2010, funds were received towards upgrading the residents' rooms to include overhead hoists and height adjustable basins.

The coach/caravan fund represents money received for the purchase of a new bus for the benefit of residents. During 2010, money was received from Coutts Charitable Trust, Raymond & Blanche Lawson Charitable Trust, Roy Hudson Trust, RS Brownless Charitable Trust, James Wise Charitable Trust, Ian Askew Charitable Trust, Pannett Charitable Trust, JC Robinson Trust No. 4 and Bruce Wake Charitable Trust.

The security system, sound machine and satellite funds all represent monies specifically received for these purposes.

The Devonshire Trust fund represents money received for the construction of a pond in the garden for the benefit of residents.

King George's Fund (Seafarers) represents money received for the purchase of nursing equipment.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**9 Restricted funds - continued**

The Albert Hunt Trust represents money received towards therapy equipment.

The Friends of Chaseley represents money received towards various projects.

The Lions Hotel Group represents money received to our wheelchair fund for adaptations and repairs.

The Jerham Legacy continues to generate interest which is donated to benefit former service personnel.

**10 Reconciliation of net cash flow movement to net debt**

	Total 2010 £	Total 2009 £
Increase in cash in the year	460,901	(27,413)
(Increase)/decrease in overdraft	(63,283)	11,185
Cash outflow from increase in debt and hire purchase	<u>(473,333)</u>	<u>(1,426,667)</u>
<b>Net debt at 31 December 2010</b>	<u>(75,715)</u>	<u>(1,442,895)</u>

**11 Analysis of net cash/debt**

	At 1 January 2010 £	Cash flows	At 31 December 2010 £
Cash at bank and in hand	257,898	460,901	718,799
Overdraft	(11,686)	(63,283)	(74,969)
Loans	<u>(1,730,088)</u>	<u>(473,333)</u>	<u>(2,203,421)</u>
<b>Net debt</b>	<u>(1,483,876)</u>	<u>(75,715)</u>	<u>(1,559,591)</u>

**12 Trustees**

Services to the value of £36,591 (2009: £38,083) were provided to The Chaseley Trust by the firm of solicitors, Cornfield Law LLP in which Mr JJQ Howes (trustee of The Chaseley Trust) respectively was and is a partner.

No remuneration or other benefits have been paid or are payable to any charity trustee directly or indirectly from the funds of the charity.

Expenses of £956 (2009: £1,882) have been paid to trustees during the year for travel expenses.

The charity paid £Nil (2009: £1,040) in respect of trustees' liability insurance. The Trustees were included in the Rehab Group's Directors and Officers Liability Insurance policy for 2010.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**13 Other financial commitments**

At 31 December 2010, the charity was committed to making the following payments and under non-cancellable operating leases in the year to 31 December 2010:

	Total 2010 £	Total 2009 £
Operating leases which expire:		
Within one year	-	2,252
Within 2 to 5 years	23,536	-
Over 5 years	-	16,188
	<u>23,536</u>	<u>18,440</u>

**14 Related party transactions**

At the year end liabilities include amounts owing to The Rehab Group of £303,421 (2009: £303,421). Rehab Group is the ultimate controlling party.

**15 Material legacies**

Legacy income is only included in incoming resources where the legacy has been received or both the receipt and the amount is known with sufficient certainty.

**16 Transfer of assets, liabilities and activities**

As described in the trustees' report, all the assets, liabilities and activities of The Chaseley Trust (charity no 211714) other than the property and related liabilities and funds were transferred to this entity, a new charitable company (a company limited by guarantee and not having a share capital - charity no. 1090579, company no. 4344486), on 1 April 2002.

**17 Ultimate controlling party**

The Rehab Group is the ultimate controlling party.

**18 Approval of financial statements**

The financial statements were approved by the Directors on 18 May 2011.