

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No.01285858)

Registered Charity No.272905

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

31st March 2016

**Registered Office
1a Melville Avenue
South Croydon
CR2 7HZ**

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

Registered Charity No 272905

INDEX

	Page No.
Report of the Directors	1-5
Independent Auditors Report	6
Consolidated Statement of Financial Activities	7
Consolidated Balance Sheet	8
Consolidated Statement of Cash Flow	9
Notes to the Financial Statements	10-14
Statement of Financial Activities – Parent Company	15
Balance Sheet – Parent Company	16

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

Registered Charity No 272905

DIRECTORS

F Newton	Chairman
J Newton	Treasurer
R Adams	
J Bowers	
R Jeffries	
Mrs J Sanders	
P Squires	Resigned 2 September 2015
Ms T Weithers	
I Trumper	Appointed 17 August 2015
Miss E Thomas	To be appointed
Miss CAL Cooper	To be appointed

SECRETARY

Mrs A Howes	Company Secretary
-------------	-------------------

REPORT OF THE DIRECTORS

The Directors present their Report and the audited Financial Statements for the year ended 31st March 2016.

REFERENCE and ADMINISTRATIVE DETAILS

The Garwood Foundation, is a company registered under the Companies Act 1985, limited by Guarantee. The Company and Charity registration numbers are shown above. The address of the registered office (also the principal office of the Foundation) is 1a Melville Avenue, South Croydon, Surrey, CR2 7HZ.

The Foundation operates a school for 25 severely disabled children aged 2-19 years in Melville Avenue; a registered residential home (Jean Garwood House) serving some 13 disabled adults in Bramley Hill and finally a day centre (Bramley Hill Centre) also in Bramley Hill, for up to 60 adults aged 18-70 years with multiple disabilities.

The names of all the Trustees at the date of this report, as well as those who served during the year, are shown above.

The Chief Executive Officer (Director of Services) to whom day-to-day running of the charity is delegated, is Keith Minear.

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

DIRECTORS' REPORT (continued)

Names and addresses of relevant organisations are:

Bankers	HSBC, 9 Wellesley Road, Croydon, CR9 2AA Barclays, 1 North End, Croydon, CR9 1RN
Auditors	Palmer McCarthy, Suite 70, Capital Business Centre, 22 Carlton Road, South Croydon CR2 0BS
Solicitors	ASB Law, Innovis House, 108 High Street, Crawley, RH10 1AS Streeter Marshall, 12 Purley Parade, Purley, CR8 2AB

STRUCTURE, GOVERNANCE and MANAGEMENT

The Foundation was formed in 1952 as the Croydon & District Branch of the National Spastics Society, and later changed its name to the Croydon Sutton & District Spastics Society. It was incorporated as a Company limited by guarantee on 1 April 1977. It again changed its name to The Garwood Foundation in December 2000, and is governed by its Memorandum and Articles of Association.

New Trustees are mainly recruited through personal contact and are appointed by a majority of serving Trustees on the Board, during the year to fill a casual vacancy.

All new Trustees undergo a period of familiarisation with the workings of the Board and the Foundation before being voted in as a Trustee. They are also provided with a copy of the Foundation's governing document (Memorandum & Articles), the previous year's accounts, previous Trustee's meeting minutes and copies of relevant Charity Commission publications e.g. RS1 and CC3.

Under the requirement of the Companies and Charities Acts, The Foundation is no longer required to hold an Annual General Meeting. However it is intended to retire and re elect Trustees by rotation.

No Trustees are due to retire this financial year.

The Foundation makes decisions to further its objects by means of a number of departmental Management Committees and the Board of Governors for Rutherford School, with the final decision on any matter resting with the Board of Trustees.

Although independent of any other charitable organisation, the Foundation leases Jean Garwood House and Bramley Hill sites from SCOPE at a peppercorn rent. In addition it co-operates with certain other charities in pursuit of its charitable activities. It also has a wholly-owned subsidiary – Croydon CP Trading Limited, which runs three charity shops in Addiscombe, South Croydon and Coulsdon.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to mitigate those risks and are regularly reviewed by the Trustees and Management of the Foundation.

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

DIRECTORS' REPORT (continued)

OBJECTIVES AND ACTIVITIES

The objects, as set out in the revised Articles of Association state that the Foundation, acting as a charity, works for the care, welfare, interest, education and advancement of people with cerebral palsy and allied conditions residing in the London Boroughs of Croydon and Sutton and the surrounding districts.

The Foundation, in order to comply with its aims of providing services for general public benefit, accepts children and adults from the whole spectrum of the total UK population who require specialist services for those suffering with mental and physical disabilities.

The aims of the Foundation are to provide a wide range of services for local people with disabilities, their families and carers, by the provision of a school, a registered residential home and a day centre. In addition, the Foundation provides a welfare support service for the children and adults and their families and carers, liaising in these matters with various relevant statutory support bodies.

The main objectives for the year have been to continue with the ongoing services provided at Bramley Hill, Jean Garwood House and Rutherford School and the strategies for achieving these are largely to ensure that local authorities accept their full share of responsibility for funding them. As a result the main objectives of the year to March 2016 have been achieved. However the Foundation has referred to the guidelines set out by the Charity Commission on Public Benefit when reviewing its aims and objectives and in the planning for its future. Achievement of these objectives becomes generally more difficult year on year, as local authority budgets (which produce most of our income) are constantly being squeezed by other factors.

A number of volunteers operate in every aspect of the business and without their help some activities would not take place. The charity shops are largely staffed by volunteers, several help in the school and at Bramley Hill on a regular basis, as well as helping at fetes and other fundraising functions held during the year. The Trustees are, as always, extremely grateful for the enormous contribution provided by these volunteers.

ACHIEVEMENTS AND PERFORMANCE

In the year to March 2016 the overall consolidated position for the financial year indicates a surplus of £1,319, which reflects the adjustment to the provision for the Pension Trust deficit, amounting to £10,601. Whilst the school showed a loss of approximately £80,000, this was due to expected expenditure relating to summer school, pool and other general repairs.

The other operating units at Bramley Hill and Jean Garwood House both produced a surplus and together with the income from the bungalow, donations, appeals and the three shops produced the small surplus shown in the Accounts. The shops at Addiscombe, Coulsdon and South Croydon produced a net profit of £43,518 on a turnover of £192,153.

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

DIRECTORS' REPORT (continued)

FINANCIAL REVIEW

The excess of incoming over outgoing resources for the financial year (see page 7 of the accounts) amounted to £11,920 (2015: £156,888 deficit). The total income generated from all sources amounted to £2,596,678 (2015: £2,408,159) and the total resources expended were £2,582,997 (2015: £2,564,905). A detailed breakdown of all these figures is shown in the attached accounts and notes. The outcome for this year is summarised in Achievements and Performance (above).

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Companies Act 2006, and in accordance with the Charities SORP 2015.

FOUNDATION'S POLICY ON RESERVES

The Foundation's policy on reserves is to maintain a reasonable balance to ensure that normal running costs can be met as and when they fall due and the aims and objectives of the charity can be achieved. The balance of reserves at 31 March 2016 amounted to £3,510,254 (2015: £3,508,935), but this includes permanent fixed assets amounting to £3,144,670 (2015 :£3,173,369).

FREEHOLD PROPERTY

The value of the freehold property at 1a Melville Avenue at 31st March 2016, (included in the accounts at some £2,868,388) is considered by the directors to be not less than the figure of £2,765,000 at which it was professionally valued for insurance purposes at 11 May 2009.

PRINCIPAL FUNDING SOURCES

These are:

• Local Authorities	£2,252,206
• Donations and legacies	£ 38,653
• Appeals/other income	£ 89,208
• Gross Income from subsidiary companies	£ 192,153
• Investment income	£ 24,458

Expenditure has supported the key objectives as follows:

Bramley Hill Centre	£ 479,746
Jean Garwood House	£ 435,101
Rutherford School	<u>£ 1,511,934</u>

Total resources expended on charitable activities (including support costs)	<u>£ 2,426,781</u>
---	--------------------

THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

DIRECTORS' REPORT
(continued)

EXTRAORDINARY EXPENDITURE

A figure of £85,370 has been included in the Accounts and relates to our share of the current shortfall in the valuation of assets supporting The Pension Trust portfolio. This is a prudent measure as agreed by the Trustees.

PLANS FOR THE FUTURE

The major key objective for the coming year will be to continue to consolidate our position in the community and strengthen our liquidity to the levels seen in previous years. We are also investigating the possibility of replacing the Hydrotherapy Pool at Rutherford School and looking at the provision of a service for young adults 19 to 21 years. We continue to seek suitable premises for additional charity shops.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNT

The Directors are required by UK company law to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the year and of the surplus or deficit for the year.

The accounts have been prepared on a going concern basis.

Suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts. Applicable accounting statements have been followed.

The Directors are also responsible for maintaining adequate accounting records, which enable them to ensure that they comply with the Companies Act 2006, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

AUDITORS

So far as we are aware, there is no information needed by the company's auditors in connection with preparing their report, of which they are unaware. Each director has taken all steps that he/she ought to have taken, as a director, in order to make him/herself aware of any relevant audit information, and to establish that the company's auditors are aware of that information.

A resolution to re-appoint the auditors Palmer McCarthy, and to authorise the directors to approve their remuneration, will be submitted at an Annual Meeting.

Registered Office
1a Melville Avenue
South Croydon,
Surrey CR2 7HZ

By order of the Board

A. Howes

Alida Howes
Company Secretary

Dated: *27th September 2016*

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF THE GARWOOD FOUNDATION
(Limited by Guarantee)**

We have audited the group and parent company financial statements of The Garwood Foundation for the year ended 31st March 2016, which comprise the Group and Parent Company Statements of Financial Activities, Group and Parent Company Balance Sheets and Group 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the Group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Audit Practices Board's (APB's) Ethical Standards for Auditors.

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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Parent Company's affairs as at 31 March 2016 and of its surplus 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 Companies Act 2006.

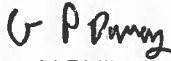
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


Gerald Philip Davey, FCCA, CTA (Senior Statutory Auditor)
for and on behalf of Palmer McCarthy
Chartered Certified Accountants
Statutory Auditors
Suite 70, Capital Business Centre,
22 Carlton Road, South Croydon,
CR2 0BS

30th SEPTEMBER 2016

7
THE GARWOOD FOUNDATION
(Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income & Expenditure Account)
for the year ended 31 March 2016

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Notes	2015 £
	£	£	£	£		£
Income & Endowments from:						
Donations & Legacies	26,580		26,955	53,535	7	10,658
Other Trading Activities	266,479		-	266,479	8	243,372
Investments: interest, dividends, rents	24,458		-	24,458		21,104
Income from charitable activities	2,252,206		-	2,252,206	9	2,133,025
Total	2,569,723	-	26,955	2,596,678		2,408,159
Expenditure on:						
Raising Funds	156,216		-	156,216	10	140,530
Charitable activities	2,408,846		17,935	2,426,781	11	2,424,375
Total	2,565,062	-	17,935	2,582,997		2,564,905
Gain/Loss on investment assets	(1,761)	-	-	(1,761)		(142)
Net income/(expenditure)	2,900	-	9,020	11,920		(156,888)
Transfers						
Gross transfers between funds	-		-	-	15	-
Net incoming resources before other recognised gains and losses	2,900	-	9,020	11,920		(156,888)
Other recognised gains or losses						
Gain on Asset Disposal	-		-	-		-
Pensions Trust Deficit	(10,601)			(10,601)	16	(85,000)
Net movement in funds	(7,701)	-	9,020	1,319		(241,888)
Reconciliation of Funds						
Total funds brought forward	3,408,114		100,821	3,508,935		3,750,823
Total Funds carried forward	3,400,413	-	109,841	3,510,254		3,508,935

The Statement of Financial Activities includes all gains and losses recognised during the year.
All income and expenditure derive from continuing activities.

8
THE GARWOOD FOUNDATION
(Limited by Guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

	Total Funds £	Notes	Prior year total funds £
Fixed Assets			
Tangible assets	3,137,824	3	3,164,762
Investments	6,846	4	8,607
Total Fixed Assets	<u>3,144,670</u>		<u>3,173,369</u>
Current Assets			
Debtors	44,935	5	33,930
Cash at bank and in hand	501,974		505,071
Total Current Assets	<u>546,909</u>		<u>539,001</u>
Liabilities:			
Creditors falling due within 1 year	95,955	6	118,435
Net Current Assets	<u>450,954</u>		<u>420,566</u>
Total assets less current liabilities	<u>3,595,624</u>		<u>3,593,935</u>
Defined Pension Scheme Liability	85,370	16	85,000
Net Assets Including Pension Liability	<u>3,510,254</u>		<u>3,508,935</u>
Funds of the Foundation			
Unrestricted Income Funds	3,400,413	15	3,408,114
Restricted Income Funds	109,841	15	100,821
Total Foundation Funds	<u>3,510,254</u>		<u>3,508,935</u>

Approved by the Board on

Frank Newton

John Newton

20th September 2016

)
) *F Newton*
) Directors
)
)
)
)

THE GARWOOD FOUNDATION
(Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2016

	2016 £	2015 £
Net Cash Used in operating activities (see note 20)	<u>(23,980)</u>	<u>(114,635)</u>
Cash Flows from investing activities		
Investment Income	24,458	21,104
Purchase of Fixed Assets	<u>(3,575)</u>	<u>(2,347)</u>
Cash Provided by (used in) investing activities	<u>20,883</u>	<u>18,757</u>
Increase (decrease) in cash and cash equivalents at the end of the year	(3,097)	(95,878)
Cash and cash equivalents at the beginning of the year	<u>505,071</u>	<u>600,949</u>
Total cash and cash equivalents at the end of the year	<u><u>501,974</u></u>	<u><u>505,071</u></u>

THE GARWOOD FOUNDATION**(Limited by Guarantee)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****For the year ended 31st March 2016****1 ACCOUNTING POLICIES****a) BASIS OF ACCOUNTING**

The financial statements are consolidated to incorporate the results of its wholly owned subsidiary and are prepared in accordance with Accounting and Reporting by Charities: 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)(effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) INCOME

All income, except Income from Charitable Activities, are accounted for on an "as received" basis. Income from Charitable Activities is accounted for on an accruals basis.

c) EXPENDITURE

All expenditure is included in the accounts on an accruals basis.

d) POLICY FOR ALLOCATING ITEMS WITHIN TYPES OF EXPENDITURE

- i. Raising Funds – relates to all Appeals costs including salaries.
- ii. Charitable Activities– relates to all direct costs incurred in running the Charity, including support costs
- iii. Support costs – include all direct salaries and related pension and employer costs
- iv. Governance costs – include costs of audit only and are included in Support Costs.

e) ASSET POLICY NOTES

- i. Fixed assets for Charity Use are included at cost less depreciation
- ii. Items valued at less than £500 each are not normally capitalised.
- iii. Fixed Asset investments are included at mid-market value at 31 March.

f) DEPRECIATION

Depreciation has been provided to write off all tangible fixed assets, other than certain freehold property, over their expected useful lives, in equal annual instalments. The following rates have been applied:

Freehold property	10% p.a.(but see note below)
Leasehold property improvements	5% p.a.
Motor vehicles, caravan and plant & equipment	20% p.a.

Freehold property at Melville Avenue is shown at cost less depreciation provided in earlier years. No further depreciation is being provided, as it is the Foundation's policy to maintain freehold properties to at least the condition existing at the time of purchase, and the properties are considered to have a value in excess of their cost.

g) Gains or losses on investment assets included in the SOFA relate to the increase or decrease in mid-market value of the investments between 31 March 2015 and 2016.**h) PENSIONS**

The Foundation participates in three pension schemes, and makes limited contributions to Stakeholder Pensions for some staff. The contributions payable are charged to revenue.

The Pensions Trust scheme, in which The Foundation currently has one member provides defined benefits. Under the rules of the scheme where a participating organisation withdraws from the scheme completely, they have to bear their share of the deficit existing at the time of withdrawal. Previously the Trustees had not made provision for the deficit as it would fluctuate with investment performance and it was intended that The Foundation would maintain its membership of the scheme for the foreseeable future. Given that there is now only one remaining member, as described in note 16, the Trustees consider it prudent to make provision for the deficit at the year end.

i) TAXATION

The Company is a registered charity and is not subject to taxation.

11
THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2 DIRECTORS' EMOLUMENTS

Under Article 37 of the Articles of Association no emoluments are payable to directors, however travel expenses totalling £1001 were paid to 2 directors in the year. No director has any beneficial interest in any contract with the Foundation.

3 TANGIBLE ASSETS

	Freehold Property	Leasehold Property (long)	Motor Vehicles	Plant and Equipment	Total
	£	£	£	£	£
COST					
At 1 April 2015	2,909,048	583,649	255,322	478,022	4,226,041
Additions in year	-	-	-	3,575	3,575
Disposals in year	-	-	-	-	-
At 31 March 2016	2,909,048	583,649	255,322	481,597	4,229,616
DEPRECIATION					
At 1 April 2015	40,660	296,296	252,579	471,744	1,061,279
Charge for the year	-	24,559	2,743	3,211	30,513
Disposals in year	-	-	-	-	-
At 31 March 2016	40,660	320,855	255,322	474,955	1,091,792
NET BOOK VALUE					
At 31 March 2016	2,868,388	262,794	-	6,642	3,137,824
At 31 March 2015	2,868,388	287,353	2,743	6,278	3,164,762

4 INVESTMENTS

	2016 £	2015 £
Quoted investments:		
Mid market value 1 April	8,607	8,749
Proceeds of shares redeemed in year	-	-
Realised investment profit on shares redeemed	-	-
Unrealised investment profit/(loss) on remaining shares	(1,761)	(142)
Mid market value 31 March (original cost £ 1,953)	6,846	8,607

5 DEBTORS

	2016 £	2015 £
Trade debtors	10,776	9,084
Other debtors, prepayments and accrued income & advance rental	34,159	24,846
	44,935	33,930

6 CREDITORS (due within one year)

	2016 £	2015 £
Tax and social security creditors	31,500	32,859
Other accruals	64,455	85,576
	95,955	118,435

12
THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7 DONATIONS & LEGACIES	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Donations & Grants	11,698	26,955	38,653	6,229
Unspent Grant Refunded	-	-	-	(9,980)
Legacies	-	-	-	8,356
Appeals, Subscriptions & Friends	14,882	-	14,882	6,053
	<u>26,580</u>	<u>26,955</u>	<u>53,535</u>	<u>10,658</u>

8 OTHER TRADING ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Sale of Cards	109	-	109	417
Hire of Facilities	74,217	-	74,217	57,195
Sales Receipts Subsidiary Company	192,153	-	192,153	185,760
	<u>266,479</u>	<u>-</u>	<u>266,479</u>	<u>243,372</u>

9 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Bramley Hill Centre	426,137	-	426,137	416,616
Jean Garwood House	455,655	-	455,655	461,724
Rutherford School	1,370,414	-	1,370,414	1,254,685
	<u>2,252,206</u>	<u>-</u>	<u>2,252,206</u>	<u>2,133,025</u>

10 COSTS OF RAISING FUNDS	2016 £	2015 £
Fund Raising Trading	148,951	137,397
Other costs Include direct staff and administration costs of running the Appeals department	7,265	3,133
	<u>156,216</u>	<u>140,530</u>

11 EXPENDITURE ON: CHARITABLE ACTIVITIES (including allocation of support costs)	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Bramley Hill Centre	474,866	4,880	479,746	468,360
Jean Garwood House	434,386	715	435,101	424,435
Rutherford School	1,499,594	12,340	1,511,934	1,531,580
	<u>2,408,846</u>	<u>17,935</u>	<u>2,426,781</u>	<u>2,424,375</u>

12 SUPPORT COSTS (included in Note 11)	Bramley Hill Centre £	Jean Garwood House £	Rutherford School £	Total 2016 £
Administration Staff Costs	17,008	15,425	53,601	86,034
Information Technology	1,115	1,011	3,513	5,639
Governance Costs	1,661	1,506	5,233	8,400
Caravan Depreciation & Expenses	2,148	1,949	6,771	10,868
Other costs	1,548	1,404	4,879	7,831
Total	<u>23,480</u>	<u>21,295</u>	<u>73,997</u>	<u>118,772</u>
Total Support Costs 2015	<u>24,296</u>	<u>22,201</u>	<u>78,898</u>	<u>125,395</u>

Support costs are allocated to operating units on the basis of resources directly expended on charitable activities per unit.

13
THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13 STAFF COSTS

These costs are included in expenditure on "Raising Funds" and expenditure on "Charitable Activities" and consist of:	2016	2015
	£	£
Salaries and wages	1,698,021	1,684,378
Social security costs	132,795	132,271
Pension costs	35,993	37,555
	1,866,809	1,854,204

Included in salaries and pension costs above are employee and employer contributions (respectively) to the pension schemes referred to in Accounting Policies (Note 1h).

The estimated average number of employees:

	2016	2015
	Number	Number
Activities for generating funds	90	87
Management and administration	2	2
Appeals	1	0
	93	89

The Chief Executive of the Foundation received a total Remuneration package including pension contributions of £50,820 (2015- £50,617).

14 Net income/(expenditure) for the year

	2016	2015
	£	£
This is stated after charging the following:		
Depreciation	30,513	45,606
Auditors Remuneration	8,400	8,000
	8,400	8,000

15 MOVEMENTS IN FUNDS

Fund	Balance 01-Apr-15 £	Movement in resources:			Balance 31-Mar-16 £	Balance 2015 £	
		Incoming £	Outgoing £	Transfers £			
<u>Unrestricted Funds</u>	A	3,636,940	2,567,962	(2,565,062)	-	3,639,840	3,636,940
<u>Restricted Funds</u>							
Bramley Hill Fund	B	66,620	-	-	-	66,620	66,620
JGH Vehicle Fund	C	4,845	-	-	-	4,845	4,845
RS Donations & Legacies		11,895	20,570	(12,340)	-	20,125	11,895
JGH Donations & Legacies		8,343	425	(715)	-	8,053	8,343
BH Donations & Legacies		4,618	5,960	(4,880)	-	5,698	4,618
IT Admin Expenditure		4,500	-	-	-	4,500	4,500
		100,821	26,955	(17,935)	-	109,841	100,821

The Comparative figures for the year ended 31st March 2015 in the Statement of Financial Activities include Donations amounting to £505 and Charitable Expenditure amounting to £5,567.

16 PENSION FUND DEFICIT

The Foundation participates in a defined benefit scheme run by The Pensions Trust. This scheme has been running at a deficit for a number of years. As the Foundation has one remaining member of the scheme, the Trustees considered it prudent to recognise the deficit in the accounts for the year ended 31st March 2015. The Net Present Value of the deficit during the year ended 31st March 2016 reflects the following movements:

	£
Balance 31st March 2015	85,000
Additional payments made during the year	(10,231)
Actuarial Adjustments	10,601
Balance 31st March 2016	85,370

17 INVESTMENT IN SUBSIDIARIES

Croydon C P Trading Limited is a wholly-owned trading subsidiary of the Foundation. These accounts are consolidated to include their results. The Annual surplus of the company is transferred to the Foundation in accordance with it's Memorandum of Association.

14
THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18 MEMBERS' GUARANTEE

The Foundation is a company limited by guarantee. The liability of any one member on a winding-up is limited to £5. The number of members at 31 March 2015 was 9 (2014:8). During the year the number of members was reduced to include Trustees only.

19 CAPITAL EXPENDITURE COMMITMENTS

The Foundation currently has no major Capital Expenditure commitments..

20 RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
Net Movement in Funds	11,920	(156,888)
Add Back Depreciation Charge	30,513	45,606
Deduct Investment Income	(24,458)	(21,104)
Gain/Loss on Investments	1,761	142
Pension Trust Deficit Contribution	(10,231)	-
Increase in Debtors	(11,005)	2,726
Decrease in Creditors	(22,480)	14,883
	<hr/>	<hr/>
Net Cash Used in operating activities	(23,980)	(114,635)

In the year ended ended 31st March 2015 the Pension Trust Deficit Contribution of £9,933 was written off directly against operating activities and is reflected in the "Net Movement in Funds" above.

THE GARWOOD FOUNDATION
(Limited by Guarantee)

NON CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income & Expenditure Account)
for the year ended 31 March 2016

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	2015
	£	£	£	£	£
Income & Endowments from:					
Donations & Legacies	26,580		26,955	53,535	10,658
Other Trading Activities	117,844		-	117,844	106,047
Investments: interest, dividends, rents	24,142		-	24,142	21,032
Income from charitable activities	<u>2,252,206</u>		-	<u>2,252,206</u>	<u>2,133,025</u>
Total	<u>2,420,772</u>	-	<u>26,955</u>	<u>2,447,727</u>	<u>2,270,762</u>
Expenditure on:					
Raising Funds	7,265		-	7,265	3,133
Charitable activities	<u>2,408,846</u>		<u>17,935</u>	<u>2,426,781</u>	<u>2,424,375</u>
Total	<u>2,416,111</u>	-	<u>17,935</u>	<u>2,434,046</u>	<u>2,427,508</u>
Gain/Loss on investment assets	(1,761)	-	-	(1,761)	(142)
Net income/(expenditure)	<u>2,900</u>	-	<u>9,020</u>	<u>11,920</u>	<u>(156,888)</u>
Transfers					
Gross transfers between funds	-		-	-	-
Net incoming resources before other recognised gains and losses	<u>2,900</u>	-	<u>9,020</u>	<u>11,920</u>	<u>(156,888)</u>
Other recognised gains or losses					
Gain on Asset Disposal	-		-	-	-
Pensions Trust Deficit	(10,601)		-	(10,601)	(85,000)
Net movement in funds	<u>(7,701)</u>	-	<u>9,020</u>	<u>1,319</u>	<u>(241,888)</u>
Reconciliation of Funds					
Total funds brought forward	3,408,114		100,821	3,508,935	3,750,823
Total Funds carried forward	<u>3,400,413</u>	-	<u>109,841</u>	<u>3,510,254</u>	<u>3,508,935</u>

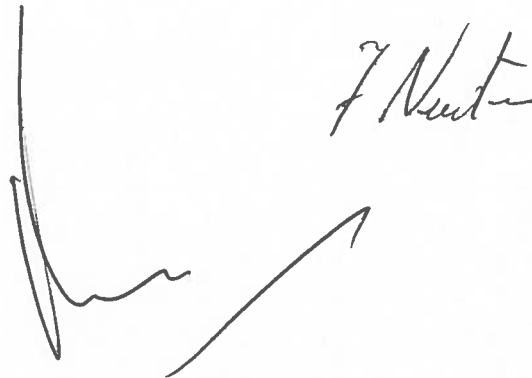
The Statement of Financial Activities includes all gains and losses recognised during the year.
All income and expenditure derive from continuing activities.

16
THE GARWOOD FOUNDATION
(Limited by Guarantee)

NON CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

	Total Funds £	Prior year total funds £
Fixed Assets		
Tangible assets	3,137,824	3,164,762
Investments	6,848	8,609
Total Fixed Assets	3,144,672	3,173,371
Current Assets		
Debtors	299,206	254,937
Short term bank deposit	-	-
Cash at bank and in hand	246,590	281,804
Total Current Assets	545,796	536,741
Liabilities:		
Creditors falling due within 1 year	94,844	116,177
Net Current Assets	450,952	420,564
Total assets less current liabilities	3,595,624	3,593,935
Defined Pension Scheme Liability	85,370	85,000
Net Assets Including Pension Liability	3,510,254	3,508,935
Funds of the Foundation		
Unrestricted Income Funds	3,400,413	3,408,114
Restricted Income Funds	109,841	100,821
Total Foundation Funds	3,510,254	3,508,935

F. Neuberger



20th September 2016