

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 2018

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

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

Registered Charity No 272905

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

Registered Charity No 272905

DIRECTORS

F Newton	Chairman
J Newton	Treasurer
R Adams	
R Bateman	Appointed 27 March 2018
J Bowers	Resigned 21 February 2018
R Jeffries	
Mrs J Sanders	
Ms T Weithers	Resigned 12 April 2017
I Trumper	
Miss E Thomas	Resigned 31 August 2017
Miss CAL Cooper	

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 2018.

REFERENCE and ADMINISTRATIVE DETAILS

The Garwood Foundation, is a company registered under the Companies Act 2006, 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 20 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.

Three Trustees were due to retire this financial year, and two have been re-elected.

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 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 2018 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 2018 the overall consolidated position for the financial year indicates a surplus of £251,160.

The operating units at Bramley Hill, Jean Garwood House and Rutherford School showed losses after taking into account the income derived from the hire of facilities at the centres.

The income from the bungalow, donations, legacies, appeals and the three shops produced the surplus shown in the Accounts. The shops at Addiscombe, Coulsdon and South Croydon produced a net profit of £15,146 on a turnover of £205,936.

The loss at Bramley Hill is the result of a drop in the budgeted income.

With regard to Jean Garwood House, they were still awaiting outstanding fees from London Borough of Croydon in respect of two residents, which have now been received.

As far as Rutherford School is concerned they are very dependent on pupil levels but sadly they lost two children which has impacted on the outcome for the year.

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 8 of the accounts) amounted to £251,160 (2017 £84,113). The total income generated from all sources amounted to £2,807,619 (2017: £2,617,780) and the total resources expended were £2,555,521 (2017: £2,532,292). 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, applicable to small companies 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 2018 amounted to £3,845,527 (2017: £3,594,367), but this includes permanent fixed assets amounting to £3,284,437 (2017:£3,126,782).

FREEHOLD PROPERTY

The value of the freehold property at 1a Melville Avenue at 31st March 2017, (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	£ 2,152,143
• Donations and legacies	£ 331,162
• Appeals/other income	£ 83,686
• Gross Income from subsidiary companies	£ 205,936
• Investment income	£ 34,692

Expenditure has supported the key objectives as follows:

Bramley Hill Centre	£ 477,304
Jean Garwood House	£ 478,520
Rutherford School	<u>£ 1,389,175</u>

Total resources expended on charitable activities (including support costs)	<u>£ 2,344,999</u>
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THE GARWOOD FOUNDATION
(A Company limited by Guarantee – Reg.No. 01285858)

DIRECTORS' REPORT
(continued)

EXTRAORDINARY EXPENDITURE

A figure of £71,803 has been included in the Accounts and relates to the Net Present Value of 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.

STRATEGIC REVIEW

The directors have not prepared a Separate Strategic Review because the information otherwise required is included in this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

Dated: 17th September 2018

By order of the Board

A. Howes

Alida Howes
Company Secretary

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

Opinion

We have audited the group and parent company financial statements of The Garwood Foundation for the year ended 31 March 2018 which comprise the group profit and loss account, the group balance sheet and notes to the financial statements, 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 charitable group and charitable parent company's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
have been prepared in accordance with the requirements of the Companies Act 2006.

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 Foundation 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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit: the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its subsidiary and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the Foundations 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 directors either intend to liquidate the company 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 group 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

G P Parry
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

20th SEPTEMBER 2018

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THE GARWOOD FOUNDATION
(Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income & Expenditure Account)
for the year ended 31 March 2018

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Notes	2017 £
	£	£	£	£		£
Income & Endowments from:						
Donations & Legacies	176,008		165,292	341,300	7	91,559
Other Trading Activities	279,484		-	279,484	8	279,833
Investments: interest, dividends, rents	34,692		-	34,692		22,674
Income from charitable activities	2,152,143		-	2,152,143	9	2,223,714
Total	<u>2,642,327</u>	-	<u>165,292</u>	<u>2,807,619</u>		<u>2,617,780</u>
Expenditure on:						
Raising Funds	210,522		-	210,522	10	199,947
Charitable activities	2,322,923		22,076	2,344,999	11	2,332,345
Total	<u>2,533,445</u>	-	<u>22,076</u>	<u>2,555,521</u>		<u>2,532,292</u>
Gain/Loss on investment assets	(985)	-	-	(985)		2,810
Net income/(expenditure)	<u>107,897</u>	-	<u>143,216</u>	<u>251,113</u>		<u>88,298</u>
Transfers						
Gross transfers between funds	-		-	-	15	-
Net incoming resources before other recognised gains and losses	<u>107,897</u>	-	<u>143,216</u>	<u>251,113</u>		<u>88,298</u>
Other recognised gains or losses						
Gain on Asset Disposal	-		-	-		-
Pensions Trust Deficit	47			47		(4,185)
Net movement in funds	<u>107,944</u>	-	<u>143,216</u>	<u>251,160</u>		<u>84,113</u>
Reconciliation of Funds						
Total funds brought forward	3,540,036		54,331	3,594,367		3,510,254
Total Funds carried forward	<u>3,647,980</u>	-	<u>197,547</u>	<u>3,845,527</u>		<u>3,594,367</u>



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

THE GARWOOD FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

	Total Funds £	Notes	Prior year total funds £
Fixed Assets			
Tangible assets	3,128,467	3	3,117,126
Investments	155,970	4	9,656
Total Fixed Assets	<u>3,284,437</u>		<u>3,126,782</u>
Current Assets			
Debtors	51,329	5	65,615
Short term bank deposits	702,439		564,610
Cash at bank and in hand	27,937		27,527
Total Current Assets	<u>781,705</u>		<u>657,752</u>
Liabilities:			
Creditors falling due within 1 year	148,812	6	109,334
Net Current Assets	<u>632,893</u>		<u>548,418</u>
Total assets less current liabilities	<u>3,917,330</u>		<u>3,675,200</u>
Defined Pension Scheme Liability	71,803	16	80,833
Net Assets Including Pension Liability	<u>3,845,527</u>		<u>3,594,367</u>
Funds of the Foundation			
Unrestricted Income Funds	3,647,980	15	3,540,036
Restricted Income Funds	197,547	15	54,331
Total Foundation Funds	<u>3,845,527</u>		<u>3,594,367</u>

The financial statements were approved by the board of directors and authorised for issue on 17th September 2018 and are signed on its behalf by

Frank Newton	)	
)	
)	
)	
John Newton	)	Directors
)	
)	
)	

THE GARWOOD FOUNDATION
(Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2018

	2018 £	2017 £
Net Cash Used in operating activities (see note 20)	<u>142,918</u>	<u>72,248</u>
Cash Flows from investing activities		
Investment Income	34,692	22,674
Purchase of Fixed Assets	<u>(39,371)</u>	<u>(4,759)</u>
Cash Provided by (used in) investing activities	<u>(4,679)</u>	<u>17,915</u>
Increase (decrease) in cash and cash equivalents at the end of the year	138,239	90,163
Cash and cash equivalents at the beginning of the year	<u>592,137</u>	<u>501,974</u>
Total cash and cash equivalents at the end of the year	<u><u>730,376</u></u>	<u><u>592,137</u></u>

THE GARWOOD FOUNDATION
(Limited by Guarantee)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st March 2018

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 trading subsidiary company and 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 administrative 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 £1,000 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. The land and the original school building were donated to the Foundation many years ago and therefore have no cost on the Balance Sheet.

- 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 2017 and 2018.**

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. 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. Provision has been made in these accounts based on the Net Present Value of the deficit.

i) TAXATION

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

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THE GARWOOD FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2018

Under Article 37 of the Articles of Association no emoluments are payable to directors, however travel expenses totalling £482 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 2017	2,909,048	583,649	255,322	486,356	4,234,375
Additions in year	-	-	39,371	-	39,371
Disposals in year	-	-	(28,049)	-	(28,049)
At 31 March 2018	2,909,048	583,649	266,644	486,356	4,245,697
DEPRECIATION					
At 1 April 2017	40,660	343,240	255,322	478,027	1,117,249
Charge for the year	-	22,385	2,625	3,020	28,030
Disposals in year	-	-	(28,049)	-	(28,049)
At 31 March 2018	40,660	365,625	229,898	481,047	1,117,230
NET BOOK VALUE					
At 31 March 2018	2,868,388	218,024	36,746	5,309	3,128,467
At 31 March 2017	2,868,388	240,409	-	8,329	3,117,126

4 INVESTMENTS

	2018 £	2017 £
Quoted investments:		
Mid market value 1 April	9,656	6,846
Shares acquired by Legacy	147,299	-
Realised investment profit on shares redeemed	-	-
Unrealised investment profit/(loss) on remaining shares	(985)	2,810
Mid market value 31 March	155,970	9,656

The shares acquired by legacy were sold soon after the year end and have been included in these accounts at the net proceeds received on their disposal.

5 DEBTORS

Trade debtors	639	14,271
Other debtors, prepayments and accrued income & advance rental	50,690	51,344
	51,329	65,615

6 CREDITORS (due within one year)

Tax and social security creditors	31,533	32,383
Other creditors & accruals	117,279	76,951
	148,812	109,334

THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2018

7 DONATIONS & LEGACIES	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Donations & Grants	18,571	165,292	183,863	45,058
Legacies	147,299	-	147,299	27,239
Appeals, Subscriptions & Friends	10,138	-	10,138	19,262
	<u>176,008</u>	<u>165,292</u>	<u>341,300</u>	<u>91,559</u>

8 OTHER TRADING ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Sale of Cards	120	-	120	154
Hire of Facilities	73,428	-	73,428	82,268
Sales Receipts Subsidiary Company	205,936	-	205,936	197,411
	<u>279,484</u>	<u>-</u>	<u>279,484</u>	<u>279,833</u>

9 INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Bramley Hill Centre	390,981	-	390,981	404,325
Jean Garwood House	469,259	-	469,259	432,255
Rutherford School	1,291,903	-	1,291,903	1,387,134
	<u>2,152,143</u>	<u>-</u>	<u>2,152,143</u>	<u>2,223,714</u>

10 COSTS OF RAISING FUNDS	2018	2017
Fund Raising Trading	190,900	178,610
Direct staff and administration costs of running the Appeals department	19,622	21,337
	<u>210,522</u>	<u>199,947</u>

11 EXPENDITURE ON: CHARITABLE ACTIVITIES (including allocation of support costs)	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Bramley Hill Centre	468,296	9,008	477,304	462,106
Jean Garwood House	474,027	4,493	478,520	454,492
Rutherford School	1,380,600	8,575	1,389,175	1,415,747
	<u>2,322,923</u>	<u>22,076</u>	<u>2,344,999</u>	<u>2,332,345</u>

12 SUPPORT COSTS (included in Note 11)	Bramley Hill Centre	Jean Garwood House	Rutherford School	Total
	£	£	£	2018 £
Administration Staff Costs	29,102	29,102	29,103	87,307
Information Technology	1,586	1,586	1,586	4,758
Governance Costs	3,027	3,027	3,026	9,080
Caravan Depreciation & Expenses	3,118	3,119	3,119	9,356
Other costs	2,447	2,448	2,448	7,343
Allocated to Fund Raising Trading	(10,791)	(10,790)	(10,790)	(32,371)
Total	<u>28,489</u>	<u>28,492</u>	<u>28,492</u>	<u>85,473</u>
Total Support Costs 2017	<u>27,661</u>	<u>27,665</u>	<u>27,665</u>	<u>82,991</u>

Support costs are allocated to operating units in equal proportions.

THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2018

13 STAFF COSTS

These costs are included in "Costs of generating voluntary income" and "Resources expended on charitable activities" above and consist of:

	2018 £	2017 £
Salaries and wages	1,711,110	1,746,124
Social security costs	133,172	139,522
Pension costs	30,084	33,543
	<u>1,874,366</u>	<u>1,919,189</u>

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:

	2018 Number £	2017 Number £
Activities for generating funds	88	95
Management and administration	7	3
Appeals	1	1
	<u>96</u>	<u>99</u>

The Chief Executive of the Foundation received total employee benefits of £51,032 (2017- £50,820)
One other key member of staff received total employee benefits of £70,995 (2017 £54,335 -part year)

14 Net income/(expenditure) for the year

This is stated after charging the following:

	2018 £	2017 £
Depreciation	28,030	25,458
Auditors Remuneration	9,080	8,700

15 MOVEMENTS IN FUNDS

Fund	Balance	Movement in resources:			Balance	Balance	
	01-Apr-17	Incoming	Outgoing	Transfers	31-Mar-18	2017	
	£	£	£	£	£	£	
<u>Unrestricted Funds</u>	A	3,540,036	2,641,342	(2,533,398)	-	3,647,980	3,540,036
<u>Restricted Funds</u>							
RS Donations & Legacies		22,143	16,899	(8,575)		30,467	22,143
JGH Donations & Legacies		14,832	59	(4,493)		10,398	14,832
BH Donations & Legacies		12,856	49,708	(9,008)		53,556	12,856
IT Admin Expenditure		4,500	-	-	-	4,500	4,500
Hydrotherapy Pool		-	98,626	-		98,626	-
		<u>54,331</u>	<u>165,292</u>	<u>(22,076)</u>	<u>-</u>	<u>197,547</u>	<u>54,331</u>

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 annual accounts. The Net Present Value of the deficit during the year ended 31st March 2018 reflects the following movements:

	2018 £	2017 £
Balance 1st April 2017	80,833	85,370
Additional payments made during the year	(8,983)	(8,722)
Actuarial Adjustments	(47)	4,185
Balance 31st March 2018	<u>71,803</u>	<u>80,833</u>

17 INVESTMENT IN SUBSIDIARIES

Croydon C P Trading Limited is a wholly-owned trading subsidiary of the Foundation. The investment in the shares is stated at cost in the Foundation's Balance Sheet. The Annual surplus of the company is transferred to the Foundation in accordance with it's Memorandum of Association. Consolidated accounts have been prepared.

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THE GARWOOD FOUNDATION
(Limited by Guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31st March 2018

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 2018 was 8 (2017: 10). The only members of the Foundation are the Trustees.

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

	2018	2017
	£	£
Net Movement in Funds		
Add Back Depreciation Charge	251,113	88,298
Deduct Investment Income	28,030	25,457
Gain/Loss on Investments	(34,692)	(22,674)
Legacy Investments Acquired	985	(2,810)
Pension Trust Deficit Contribution	(147,299)	-
Increase in Debtors	(8,983)	(8,722)
Decrease in Creditors	14,286	(20,680)
	<u>39,478</u>	<u>13,379</u>
Net Cash Used in operating activities	<u>142,918</u>	<u>72,248</u>

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THE GARWOOD FOUNDATION
(Limited by Guarantee)

NON CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income & Expenditure Account)
for the year ended 31 March 2018

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	2017
	£	£	£	£	£
Income & Endowments from:					
Donations & Legacies	176,008		165,292	341,300	91,559
Other Trading Activities	88,694		-	88,694	101,481
Investments: interest, dividends, rents	34,582		-	34,582	22,416
Income from charitable activities	2,152,143		-	2,152,143	2,223,714
Total	2,451,427	-	165,292	2,616,719	2,439,170
Expenditure on:					
Raising Funds	19,622		-	19,622	21,337
Charitable activities	2,322,923		22,076	2,344,999	2,332,345
Total	2,342,545	-	22,076	2,364,621	2,353,682
Gain/Loss on investment assets	(985)	-	-	(985)	2,810
Net income/(expenditure)	107,897	-	143,216	251,113	88,298
Transfers					
Gross transfers between funds	-		-	-	-
Net incoming resources before other recognised gains and losses	107,897	-	143,216	251,113	88,298
Other recognised gains or losses					
Gain on Asset Disposal	-		-	-	-
Pensions Trust Deficit	47			47	(4,185)
Net movement in funds	107,944	-	143,216	251,160	84,113
Reconciliation of Funds					
Total funds brought forward	3,540,036		54,331	3,594,367	3,510,254
Total Funds carried forward	3,647,980	-	197,547	3,845,527	3,594,367

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

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THE GARWOOD FOUNDATION

NON CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

	Total Funds £	Prior year total funds £
Fixed Assets		
Tangible assets	3,128,467	3,117,126
Investments	155,972	9,658
Total Fixed Assets	3,284,439	3,126,784
Current Assets		
Debtors	501,700	423,580
Short term bank deposit	270,880	-
Cash at bank and in hand	7,730	233,293
Total Current Assets	780,310	656,873
Liabilities:		
Creditors falling due within 1 year	147,419	108,457
Net Current Assets	632,891	548,416
Total assets less current liabilities	3,917,330	3,675,200
Defined Pension Scheme Liability	71,803	80,833
Net Assets Including Pension Liability	3,845,527	3,594,367
Funds of the Foundation		
Unrestricted Income Funds	3,647,980	3,540,036
Restricted Income Funds	197,547	54,331
Total Foundation Funds	3,845,527	3,594,367



J.E. NEWTON

F. Newton
F. NEWTON