

Treasurers' Report 2016-2017 & Consolidated Summary of Accounts

This report deals with the affairs of the charities, John Storer Charnwood (JSC) (1087692) and John Storer House Foundation (JSHF) (521460), whose finances are closely connected and best viewed on a joint basis. What follows is a brief, consolidated summary, designed to highlight the significant financial outcomes for the year ended 31 March 2017 and to comment on the reserves held by the charities. The full accounts for both charities can be seen on request. They have been examined by Nixon Mee Ltd. whose reports are unqualified.

With effect from 1 April 2013, all activities of the two charities have been undertaken by JSC, which has become the tenant of JSHF. As a part of the arrangement, JSC is obliged to deliver the objectives of both charities.

The consolidated statement of financial affairs (SOFA) shows the combined incoming resources and resources expended of the two charities.

The most important figures in the consolidated balance sheet are those of the net movements of unrestricted funds. For the year, there was a net increase of £69,298 in our unrestricted reserve. This is a very significant increase and all of our staff, and the two Directors in particular, are to be congratulated. However, from this year, we have had to include a provision for our historic pension liability and this amounts to £85,798. The inclusion of this provision has the effect of reducing our unrestricted reserves to £574,761 (they would have increased to £660,559 without the provision).



In establishing how far our total unrestricted reserves of £660,559 are adequate to provide a suitable level of cover for our activities and the pension provision, one must deduct £276,703 from this figure in respect of tangible fixed assets. This is the balance sheet value of our building and contents which have little realisable value. This leaves £383,856, of which £184,126 is in designated funds set aside to cover the particular needs of developing wellbeing activities, maintaining the building and replacing our buses as they reach the end of their economic life. This brings the figure for “free” reserves or general funds down to £199,730 as shown the balance sheet. This figure is more than sufficient to cover our contingent liabilities which would become payable if we have to wind up the two charities, including the £85,798 pension provision and £36,888 for redundancy payments.

During 2016/17, we have again continued the process of moving the charities into a more sustainable form, less dependent on grant aid. Restricted and unrestricted income from investments, fundraising, donations, rental and “trading” activities was £443,607 (£339,999 in 2015/16) as compared with income from grants, which amounted to £298,293 (£366,077 in 2015/16). That the threat to our grant income is real is shown by the fall in our grant income from Leicestershire County Council from £242,930 in 2015/16 to £179,197 last year.

Two sources of income deserve particular comment:

- Income from wellbeing activities increased from £51,748 in 2015/2016 to £57,289. This has been achieved as a result of many years of development.
- Rental income increased from £86,581 in 2015/16 to £93,639. This source of income is of particular value to the charities.

Additionally, we must thank Charnwood Borough Council for maintaining and, indeed, modestly increasing its funding from £110,647 in 2015/16 to £111,565 last year.

We are pleased to record that the unrealised gain in the value of our investments was a remarkable £12,487 (£3,173 in 2015/16).

These outcomes are entirely due to the efforts of our staff and they are to be congratulated. Their efforts mean that the charities are in a good financial position to meet the challenges ahead.

And finally, our expressions of thanks

- To our 206 volunteers whose contributions take very many forms. The total notional value of volunteer time during the year (valuing an hour of time at £7.20, adult minimum wage) was £224,078 (up from £197,958 in the previous year). Without our volunteers, we could not deliver our services.
- To all our paid staff, whose commitment and dedication is amazing.
- To our sponsors, funders and users, without whom we could not exist.

David Rodgers
Honorary Treasurer JSC

John West
Honorary Treasurer JSHF

JOHN STORER CHARNWOOD AND JOHN STORER HOUSE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2017

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2017 Total</u> £	<u>2016 Total</u> £ (Restated)
Incoming Resources					
<i>Incoming Resources from Generated funds</i>					
Voluntary Income - Donations and legacies	1	88,734	21,516	110,250	32,594
Activities for Generating Funds	2	192,496	122	192,618	190,245
Investment Income		3,065	29	3,094	3,399
<i>Incoming Resources from Charitable Activities</i>	3	376,284	59,654	435,938	479,838
Total incoming resources		660,579	81,321	741,900	706,076
Resources expended					
Costs of generating funds	4	88,278	585	88,863	83,721
Charitable activities	5	465,023	84,296	549,319	483,379
Governance costs		27,578	-	27,578	56,246
Total resources expended		580,879	84,881	665,760	623,346
Net incoming resources before transfers		79,700	(3,560)	76,140	82,730
Transfers		(20,220)	20,220	-	-
Net incoming resources		59,480	16,660	76,140	82,730
Unrealised (loss)/gain on investments		12,487	-	12,487	3,173
Actuarial gains/(losses) on defined benefit pension schemes		(2,669)	-	(2,269)	(12,530)
Net movement in funds		69,298	16,660	86,358	73,373
Balances brought forward at 1 April		505,463	80,537	586,000	512,627
Balances carried forward at 31 March		574,761	97,197	672,358	586,000

JOHN STORER CHARNWOOD AND JOHN STORER HOUSE FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2017

	<u>Note</u>	<u>2017</u>		<u>2016</u>	
		£	£	£	£
				<u>(Restated)</u>	
Fixed assets					
Tangible fixed assets			276,703		269,540
Investments			<u>57,545</u>		<u>45,058</u>
			334,248		314,598
Current assets					
Stocks		2,535		2,322	
Debtors	6	75,324		49,022	
Bank and Cash in Hand		<u>397,743</u>		<u>366,787</u>	
		475,602		418,131	
Liabilities	7	<u>(52,094)</u>		<u>(56,115)</u>	
Net current assets			<u>423,508</u>		<u>362,016</u>
Total Assets less Current Liabilities			757,756		676,614
Provisions			(85,798)		(90,614)
Net assets			<u>671,958</u>		<u>586,000</u>
Financed by :					
Restricted funds			97,197		80,537
Unrestricted funds :					
Designated Funds (See Note Below)					
- Tangible fixed assets		276,703		262,451	
- Wellbeing Development Fund		24,442		36,202	
- Community Transport Fund		140,720		103,360	
- Building Maintenance		<u>18,964</u>		<u>23,873</u>	
		460,829		425,886	
Pension Reserve		(85,798)		(90,614)	
General Funds		<u>199,730</u>		<u>170,191</u>	
Total Unrestricted Funds			<u>574,761</u>		<u>505,463</u>
Total funds			<u>671,958</u>		<u>586,000</u>

Note : The Tangible fixed assets fund represents the depreciated original cost of Buildings, Property Improvements, Plant & Machinery, Office Furniture & Equipment, Vehicles and Computer Equipment.

JOHN STORER CHARNWOOD AND JOHN STORER HOUSE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2017

1. VOLUNTARY INCOME

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2017</u>	<u>Total Funds 2016</u>
	£	£	£	£
Affiliation fees and donations	83,744	18,142	101,886	20,251
Fundraising income	4,990	3,374	8,364	12,343
	<u>88,734</u>	<u>21,516</u>	<u>110,250</u>	<u>32,594</u>

2. ACTIVITIES FOR GENERATING FUNDS

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2017</u>	<u>Total Funds 2016</u>
	£	£	£	£
Other Income	610	122	732	2,400
Rental Income	93,639	-	93,639	86,581
Catering Income	95,997	-	95,997	98,313
Shop Sales	2,250	-	2,250	2,951
	<u>192,496</u>	<u>122</u>	<u>192,618</u>	<u>190,245</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2017</u> £	<u>Total Funds 2016</u> £
FUNDS RECEIVABLE				
Local Authorities				
Leicestershire County Council	165,395	13,802	179,197	242,930
Charnwood Borough Council	79,635	31,930	111,565	110,647
Shepshed Town Council	-	6,000	6,000	6,000
Rutland County Council	-	-	-	4,000
National Government				
Department for Transport	1,531	-	1,531	1,750
Others				
Loughborough College	-	-	-	750
TOTAL FUNDS RECEIVABLE	<u>246,561</u>	<u>51,732</u>	<u>298,293</u>	<u>366,077</u>
OTHER INCOME				
House Activities	11,254	-	11,254	11,332
Wellbeing Activities	49,367	7,922	57,289	51,748
Transport Services	53,403	-	53,403	41,504
Miscellaneous	15,699	-	15,699	8,755
Total other income	<u>129,723</u>	<u>7,922</u>	<u>137,645</u>	<u>113,761</u>
TOTAL INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	<u>376,284</u>	<u>59,654</u>	<u>435,938</u>	<u>479,838</u>

4. COST OF GENERATING FUNDS

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2017</u> £	<u>Total Funds 2016</u> £
Fund Raising Expenses	3,532	585	4,117	4,238
Catering : Salaries	39,494	-	39,494	38,566
Purchases	38,953	-	38,953	35,329
Discounts	4,638	-	4,638	4,311
Miscellaneous	1,351	-	1,351	1,071
Shop Purchases	310	-	310	206
	<u>88,278</u>	<u>585</u>	<u>88,863</u>	<u>83,721</u>

5. CHARITABLE ACTIVITIES EXPENDITURE

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2017</u> £	<u>Total 2016</u> £
				(Restated)
Legal and professional fees	5,074	-	5,074	3,283
Bank charges and interest	1,191	-	1,191	1,092
Office equipment	6,311	241	6,552	4,475
Salaries	141,033	46,566	187,599	163,308
Central support charges	(11,160)	11,160	-	-
Volunteer expenses	-	4,331	4,331	55
Stationery and photocopying	3,404	623	4,027	3,886
Telephone and postage	4,619	1,173	5,792	6,695
Advertising	785	-	785	105
Travel and subsistence	2,536	678	3,214	7,487
Training fees and subscriptions	3,161	777	3,938	2,332
Bad debts	303	-	303	1,615
Pension costs	3,749	-	3,749	2,745
Unwinding of discount factor on pension fund	1,773	-	1,773	1,426
Project expenses and materials	2,822	3,803	6,625	8,568
Hospitality	655	246	901	712
Transport: Salaries	69,401	-	69,401	66,770
Running costs	80,031	-	80,031	84,652
Vehicle hire	-	-	-	167
Cleaning : Salaries	14,920	-	14,920	15,471
Materials	4,284	-	4,284	4,872
Heat, light & water	14,677	-	14,677	17,443
Repairs and maintenance	63,006	5,594	68,600	28,180
Insurance	8,879	-	8,879	8,911
Depreciation	31,148	7,089	38,237	36,847
Gains on disposals	146	-	146	(2,550)
Rent & Hire Fees	2,789	1,477	4,266	6,043
IT Maintenance	6,657	-	6,657	6,730
Annual Timeshare Upkeep	-	444	444	429
Miscellaneous	2,829	94	2,923	1,630
	<u>465,023</u>	<u>84,296</u>	<u>549,319</u>	<u>483,379</u>

6. DEBTORS

	<u>2017</u> £	<u>2016</u> £
Other debtors	75,324	49,022

7. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	<u>2017</u> £	<u>2016</u> £
Trade creditors	21,618	21,281
Other Taxes and Social Security	7,360	12,075
Other creditors	23,116	22,759
	<u>52,094</u>	<u>56,115</u>