



**The Royal Agricultural  
Benevolent Institution**

Registered Charity No 208858

**REPORT AND  
FINANCIAL STATEMENT  
2015**

Patron

**HER MAJESTY THE QUEEN**

**REPORT BY THE COUNCIL OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015**

The Council presents its report and the Statement of Financial Activities of the charity for the year ended 31 December 2015. The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the provisions of the Charities SORP (FRS 102) effective 1 January 2015.

**References and administrative details**

**President**

HRH The Duke of Gloucester KG GCVO

**Vice Presidents**

Mrs A Barton OBE

The Earl Bathurst

Lady Bathurst

S Chakravarty

The Lord Curry of Kirkharle, CBE, FRAGS

H A C Densham CBE, FRAGS

Mrs R Nash FRAGS

The Lord Plumb of Coleshill DL

J A Sayers FRICS, FAAV, FRAGS

J D Wallis FRICS

**Honorary Chaplain**

Revd Canon Glyn Evans DL

**Chief Executive**

P J G Burrows ACIB, FRAGS

**Council of Trustees**

C P Riddle – (Chairman)

W Cumber BSc – (Joint Deputy Chairman)

J M Thomas MBE – (Joint Deputy Chairman)

J W Lewis FCA (Retired), BSc (Econ) - (Honorary Treasurer)

Mrs P Davies BSc

Mrs J Dawson OBE (Appointed May 2015)

C D'Olley MRICS, FAAV

J Hosier

S P Miles

J G Orme

Mrs N Quayle

Mrs E C Rymer MBE JP DL (Retired May 2015)

Mrs P Stanley FRAGS (Retired May 2015)

Mrs J Turnbull (Appointed May 2015)

**Principal Office**

Shaw House, 27 West Way, Oxford, OX2 0QH (Registered Charity No: 208858)

Tel: 01865 724931 Fax: 01865 202025

E-Mail: [info@rabi.org.uk](mailto:info@rabi.org.uk) , Website: [www.rabi.org.uk](http://www.rabi.org.uk)

**Auditors**

Martin and Company, 25 St Thomas Street, Winchester, SO23 9HJ

**Bankers**

NatWest Bank PLC, 32 Cornmarket Street, Oxford, OX1 3ES

Barclays Bank PLC, Hinksey Court, West Way, Oxford, OX2 9LZ

**Investment Managers**

Rathbones Brothers PLC, 1 Curzon Street, London, W1J 5FB

**Solicitors**

Henmans Freeth LLP, 5000 Oxford Business Park South, Oxford, OX4 2BH

Blake Morgan, Seacourt Tower, West Way, Oxford, OX2 0FB (Charity & Employment Law)

## **Structure, Governance and Management**

The Royal Agricultural Benevolent Institution (R.A.B.I.) was founded in 1860 and was incorporated by Royal Charter in 1935. A revised and updated Royal Charter was approved by the Membership of the Corporation in 2009 and received Royal Assent on 13 July 2011. It is registered under the Charities Act 2011.

The Council of 12 trustees, who are responsible for the running of the charity are appointed for a term of four years. Trustees may serve for two consecutive terms. New trustees are appointed for their relevant skills, agricultural knowledge or background and geographical location.

R.A.B.I. benefits from an active, responsive, highly skilled and experienced Council bringing together a wide range of expertise and awareness of its fiduciary and financial responsibilities. The success of the charity stems from a close working relationship and positive attitude between its trustees and staff.

The full Council of Trustees met formally five times during 2015. A visit was also made to three of the charity's legacy farms in Devon and Essex.

Advice on legal, accountancy and estate matters is provided by expert members of the Council, together with appointed lawyers (commercial and charity), land agents and chartered accountants.

The Council has five sub-committees:

- The Chairman's Executive Committee, which met five times in 2015, two of which were with the charity's investment managers Rathbone Brothers plc. This committee is advisory to the Chief Executive and a body for urgent decision-making with subsequent approval by all trustees.
- The Grants Committee, which is authorised by the full Council to make grants and to take on new beneficiaries.
- The Health and Safety Committee, which comprises two trustees and a staff representative from each department as well as the two residential homes, met once in 2015.
- The Beaufort House and Manson House Management Committees. Each residential home's committee comprises trustees, senior staff and the management teams of each home. These committees meet at least four times a year. During the significant capital work at Manson House, there have been considerably more meetings.

Individual trustees are also involved with staff on various working groups as and when required.

The day-to-day leadership and operational management of the charity is the responsibility of the Chief Executive. Under his direction and in accordance with policy laid down by the Council, staff are divided into the four departments:

**Finance** - three full time staff members in head office.

**Welfare** - four full time staff/one part time staff member in head office who process applications for assistance and manage 14 home-based, part time Regional Welfare Officers (RWOs) who carry out advisory visits to potential and current beneficiaries throughout the regions. In addition they are able to ensure that all relevant statutory benefits are received thus achieving a significant financial benefit for the charity and its beneficiaries.

**Fundraising and Communications** – seven full time staff members in head office who publicise the work of R.A.B.I. The department also includes nine full-time and one part-time locally-based, peripatetic Regional Managers (RMs) who work from home and are tasked with raising funds, promoting the work of R.A.B.I. around the country and giving guidance to the voluntary County Committees in their fundraising. The County Committees are invaluable to R.A.B.I. for their voluntary support including not only raising funds but also in raising the profile of the charity in their area.

**Human Resources, Health & Safety and Administration** – two full time and one part time staff members who provide essential administrative, health & safety and personnel support to Head Office, regional staff and the two residential care homes.

**Residential Homes** – R.A.B.I. owns two residential homes. The homes are run for the benefit of R.A.B.I. beneficiaries but where vacancies arise these may also be filled from a waiting list of people who are able to pay the cost of their own care. Those with a farming background take priority. This enables R.A.B.I. to maintain a high occupancy level, which is vital to ensure the running costs of the homes are met.

Manson House in Bury St Edmunds, Suffolk is a listed Grade II\* building currently registered for 22 people requiring residential care. The trustees have invested significant funds into Manson House in order to increase the capacity of the home and thereby to help ensure it is financially sustainable for the future. Manson House will have 31 residential rooms, all with en-suite bathrooms, and 23 self-contained apartments for independent living.

The last inspection by the Care Quality Commission (November 2013) confirmed that Manson House was 'meeting all the essential standards of quality and safety'. 'We saw the services care planning documentation and these records showed that peoples' needs were thoroughly assessed, with plans in place to meet the individual needs of the person concerned'.

Beaufort House in Burnham on Sea, Somerset, is registered for 37 residents requiring residential care and has 10 self-contained flats on a site next to the residential home, separated only by landscaped gardens.

Beaufort House has an excellent reputation for high quality care and when the home was last inspected (September 2013) the Care Quality Commission confirmed that the home was 'meeting all the essential standards of quality and safety'. 'We observed throughout the visit that staff treated people with respect, kindness and dignity which supported people to live full and happy lives in the home'.

The two homes employ 20 full-time and 60 part-time staff, full-time staff being those who work over 30 hours per week as used in the HM Revenue & Customers Real Time Information criteria.

### **Risk Management**

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and where necessary, established systems and procedures to mitigate the risk the charity may face. A generic risk assessment is reviewed annually, with any new risks identified during the year being incorporated.

The trustees and senior staff are working with Sayer Vincent accountants to develop a different approach for strategic and operational risk. It is designed to integrate risk management into existing processes and decision-making, rather than impose an additional layer of complexity to the organisation. It is hoped to be completed by April 2016.

### **Objectives, Activities, Achievements and Performance.**

R.A.B.I. is farming's oldest and largest charity and it works closely with other rural charities throughout the country. Whilst R.A.B.I. does not give advice, it is able to signpost when appropriate towards professional consultancy.

### **Vision: To reach and support farming people in need**

### **Mission: With compassion, discretion and friendship to provide confidential welfare advice, practical care and financial support to those in need within the farming community**

The Royal Charter states that *"The objects of the Corporation shall be to relieve Beneficiaries in cases of need, hardship or distress in such manner as the Corporation in its discretion thinks fit, Beneficiaries being persons who are or have been (1) employed or engaged in the farming industry, or (2) married to or in civil partnership with such persons, or (3) the dependants of such persons."*

R.A.B.I.'s Royal Charter allows that financial assistance can be given to retired farm staff as well as to retired farmers, farm managers and their families. The charity also provides financial support to working farmers as one of its core activities in relieving a variety of crisis problems suffered by individual working farmers and/or their dependants.

### **Welfare/Grant Making Policy**

R.A.B.I. provides an excellent range of long-term support and continuous care for the elderly and those of any age, who are disabled, by providing regular grants or one-off payments for special items.

In respect of the working farmer, the trustees are committed to support those in need for domestic expenses or to enable people to retrain. R.A.B.I. does not and cannot pay for business expenses and/or prop up a failing business; neither can it give any business advice.

One of R.A.B.I.'s main aims is to enable people to remain in their own homes as long as this is practicable. To this end, assistance is tailored to meet individual needs and can include the provision of home help, 'life-line' rental, a telephone, television and other household items. Help is also available towards the purchase of equipment to help disabled beneficiaries both in and out of the home.

All new applicants for regular assistance are initially visited by our RWOs and thereafter they receive home visits on a regular basis, approximately once a year, but more frequently if needed or if their personal situation should change substantially.

Maximising income through state benefits and other government-aided grants for new applicants and existing beneficiaries is an important part of the welfare team's work. This task is mainly undertaken by the RWOs during their home visits. It is essential for any occupational benevolent fund to do this so that precious charitable grants are not used in place of state aid but as a supplement. In 2015 the welfare team was responsible for obtaining £391,000 in unclaimed benefits, tax credits and other grants for beneficiaries. In some cases, this has meant that the applicants did not require further financial support from R.A.B.I. Cases for RWOs have been further complicated by the effects of the changing state benefits system and much time and effort has been spent helping people with Employment and Support Allowance (ESA) Claims and Personal Independence Payments (PIP) in particular. The RWOs have also assisted people to challenge decisions by the local authorities when they believe them not to be acting within the legal requirements in connection with care and the provision of facilities to the disabled.

R.A.B.I. also supports other beneficiaries around the country who live in residential homes other than the charity's own. Due to the current economic conditions, local authorities continue to freeze or cut budgets and as a result R.A.B.I. is seeing an increase in applications for assistance. The amount R.A.B.I. paid out for care-home shortfalls in 2015 was £261,000 (£241,000 in 2014).

### **Review of 2015 and statistics**

In 2015 R.A.B.I. gave out grants totalling £1,875,000 (£1,934,000 in 2014) (please see note 8).

Among those 1,340 individuals and families who received charitable support last year 90% were no longer able to work due to age, illness, disability or caring responsibilities and 10% were working but had experienced unforeseen crisis such as serious illness, accident and animal disease.

The five counties to which R.A.B.I. gave most financial help were North Yorkshire (£123,000), Suffolk (£104,000), Devon (£99,000), Shropshire (£94,000) and Norfolk (£88,000).

Whilst it was a lower amount in 2015 than 2014, some £270,000 was paid in grants to working farmers.

The core activity of helping those in the farming community in financial need is becoming more complex and demanding more of the charity's resources, not only in terms of levels of grants paid but also the amount of welfare officers' time. There is no doubt that the welfare team is currently dealing with more people with multiple needs that require more visits, increased grants, extended help with claiming state benefits and living through the ensuing delays, and topping up of residential care fees.

Spending more time supporting people with debt problems is on the rise as incomes for a number of people in the industry do not allow them to prepare for any unplanned expense, whether it's a school trip, a replacement for a broken cooker or a funeral. Nor can they save for their retirement.

Housing problems and rent arrears have also been key concerns this year, with many people affected by changes to local housing allowances and the 'bedroom tax', they are living under the threat of being made homeless. Council budget cuts have also impacted on services and support elsewhere, meaning charities like R.A.B.I. are being asked to fill in the gaps.

In addition to outlining our welfare expenditure, to share some of the words of our beneficiaries who write us wonderful letters, emails and those who can no longer write, ring us and it's from these communications that we can gauge how effective our work is and whether we are really making a difference.

*"I am completely overwhelmed by R.A.B.I.'s kindness. Caring, thoughtful, diligent, efficient... the list goes on and on. Bless you all."*

*"I am writing to express my gratitude and thanks for your part in the delivery to me of a mobility scooter, complete with ramps to get it in my car – all funded by R.A.B.I. I have spent many an hour sitting in my car watching others enjoy activities I can no longer be involved in because of my disabilities. The scooter has given me a new lease of life. I can now look forward to going fishing once again and accompanying my wife on dog walks. Once again, many thanks."*

*"I would like to thank you very much for the money and help that your charity has given me. It is still sinking in that you provided me with such useful and much needed items. I was treated with respect and with dignity at all times. I did not experience any shame or embarrassment."*

*"You will never know how grateful I am for all the help R.A.B.I gives me. Please excuse the writing because of arthritis, my hands do not work properly."*

### **Public Benefit**

The Trustees have given due regard to the Charity Commission's general guidance on public benefit and, in particular, supplementary guidance on the relief of poverty (or financial hardship) as well as distress to members of the farming community. During the year to 31 December 2015, the benefits given by the charity have been to the benefit of long-term support and care for the elderly and those of any age, who are disabled, by providing regular grants or one-off payments for special items. The working farmer and their family is supported by grant funding under the categories of 'death, disease or disaster' with payments for domestic purposes. The Trustees are of the view that the benefits are clear, are related to the aims of the charity and no detriment or harm results. It is considered that the discharge of the charity's aims and objectives during the year to 31 December 2015, taking into account the guidance and relatively limited resources available, satisfy the public benefit test.

### **Environmental Policy**

Our policy is to meet or exceed all environmental regulations, laws and codes of practice. R.A.B.I. is committed to the prevention of pollution and to minimising the impact of our operations on the local, regional and global environment:

- We actively seek to use environmentally safe and sustainable energy sources to meet our needs whenever possible.
- Lights, computers and electrical equipment will be switched off when not in use.
- Paper use will be minimised at all times. Printing of emails unless absolutely necessary will be discouraged.
- All cleaning materials to be used will be as environmentally friendly as possible.
- We will recycle all paper and cardboard where appropriate.
- Electrical equipment no longer required is recycled through a licenced waste disposal company where any stored data is eradicated or storage drives shredded.

### **Financial Review**

The results for this year show a revenue deficit of £130,000 (2014: £480,000 surplus) and after adding the realised and unrealised gains on the investment portfolio and a property revaluation produced an overall surplus of £338,000 (2014: £1,313,000).

Voluntary income was reduced in 2015 at £2,197,000 (2014: £3,089,000) although the public was once again extremely generous with individual donations and fundraising of £894,000 (2014: £1,301,000). R.A.B.I. is fortunate to have such loyal and committed volunteers around the country who fundraise for the charity.

Income from trusts and other charitable funds remained steady at £293,000 (2014: £271,000). As always, sincere thanks go to the trusts all over the country that give grants towards the on-going work of the charity including The Clothworkers Foundation which gave a £50,000 grant specifically towards the refurbishment of Manson House.

Legacy income amounted to £885,000 (2014: £1,424,000). This type of income is always difficult to predict for budget purposes. Through legacies, R.A.B.I. manages several farms which, in addition to bringing in annual income, give the charity security and potential opportunities to continue its work within the farming community.

Investment income was £1,673,000 (2014: £1,831,000) which more than covers the support and governance costs of the charity enabling voluntary income to be used for welfare payments.

Income from R.A.B.I.'s farms was £334,000 (2014: £423,000) including a receipt of £74,361 in respect of a promotion agreement which relates to a possible future development opportunity.

### **Reserves Policy**

The charity has a traditional long-term commitment to its non-working beneficiaries. Each costs in the region of £1,320 per annum and today's improved health care means that this requirement can continue for 30 years. Overall, this could demand an annual expenditure in the region of £1,300,000.

The trustees have considered the level of reserves in line with the annual expenditure and with the charity's obligation to its long-term beneficiaries. The trustees also need the ability to respond to major crises as they occur in the farming industry. They believe that the present position is appropriate.

### **Investment Policy**

The Investment Sub Committee in conjunction with its professional advisors formally reviews the portfolio twice a year. Funds continue to be managed by Rathbone Brothers plc and the aim is to achieve an appropriate balance between income and growth, with a medium risk profile.

The trustees have an investment policy, which sets an annual income target, which is so defined as not to exclude the potential for long-term capital growth.

It was not an easy year for equities and bonds with major markets barely positive at the end of the year. The FTSE 100 Index fell by 1.3% driven by the continued collapse in oil prices. R.A.B.I.'s portfolio held up well, albeit it reduced by some £667,000 but after £1,000,000 had been withdrawn for use towards re-development costs at Manson House.

### **Estates**

The Estates are managed on a day-to-day basis by the Chief Executive in conjunction with locally based chartered surveyors. All the farms are currently tenanted.

The expenditure on the Estates consists of agents and professional fees, insurance premiums, repairs and maintenance.

### **Looking forward**

It has been an extremely challenging year for the agricultural industry with low global prices across most sectors. The dairy sector has been experiencing a particularly difficult time with even the most cost-efficient farmers struggling and it is sad to see that currently the price of a bottle of water is more expensive than a pint of milk.

The severity of cash flow across all farm sectors has been exacerbated by the change from the old Single Payment Scheme to the new Basic Payment Scheme (BPS). The Rural Payments Agency (RPA) has had some technical issues and this has at times delayed vital payments to farmers. It is hoped that lessons will have been learnt and that we shall see an improvement in the future.

Farming has a tremendous future and is an exciting industry, ready to attract the brightest and best, but for various reasons not everyone can take advantage of the opportunities available and R.A.B.I.'s work is as necessary today as it was when the charity was founded more than 155 years ago.

R.A.B.I. continues to work closely with other charities, including the Prince's Countryside Fund, Perennial (the Gardeners' Royal Benevolent Society, to ensure that no one falls between the occupational criteria for both organisations) and (as a member of Farming Help), the Addington Fund and Farm Community Network (FCN) with their different but complementary roles to support the wider farming community.

R.A.B.I. is also most grateful to the National Farmers Union, the NFU Mutual Insurance Society Limited and the NFU Mutual Charitable Trust for their on-going support.

### **Trustees' responsibilities in relation to the financial statements**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed.

They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on 14<sup>th</sup> March 2016 and signed on their behalf by:



Christopher Riddle  
Chairman of the Council of Trustees



**STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31 December 2015

Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	<b>TOTAL 2015 £000</b>	TOTAL 2014 £000	
<b>Income and receipt of endowments</b>						
- Donations and legacies	2	2,058	139	-	<b>2,197</b>	3,089
<b>Incoming resources from charitable activities:</b>						
- Fees for residential care		1,747	-	-	<b>1,747</b>	1,504
<b>Income from other trading activities</b>						
- Trading sales	3	24	-	-	<b>24</b>	31
Investment income	4	1,444	229	-	<b>1,673</b>	1,831
Other	15	39	-	-	<b>39</b>	9
<b>Total</b>		<b>5,312</b>	<b>368</b>	<b>-</b>	<b>5,680</b>	6,464
<b>Expenditure</b>						
<b>Expenditure on raising funds</b>						
- Expenditure on raising donations and legacies	5	625	-	-	<b>625</b>	492
- Expenditure on other trading activities	3	21	-	-	<b>21</b>	23
- Expenditure on generating investment income	7	267	-	-	<b>267</b>	407
<b>Expenditure on charitable activities:</b>						
-Direct welfare payments, grants, support and casework costs	8/9	2,255	347	-	<b>2,602</b>	2,666
-Residential homes	10	1,783	43	-	<b>1,826</b>	1,791
-Publicity and marketing	6	469	-	-	<b>469</b>	605
<b>Total</b>		<b>5,420</b>	<b>390</b>	<b>-</b>	<b>5,810</b>	5,984
<b>Net income/(expenditure) before gains/(losses)</b>		<b>(108)</b>	<b>(22)</b>	<b>-</b>	<b>(130)</b>	480
<b>Net gains/(losses) on investment assets:</b>						
Realised	19	450	-	-	<b>450</b>	146
Unrealised	19	(384)	356	40	<b>12</b>	451
<b>Net (expenditure)/income</b>		<b>(42)</b>	<b>334</b>	<b>40</b>	<b>332</b>	1,077
<b>Transfers</b>	24	50	(50)	-	-	-
<b>Net incoming resources before other gains/(losses)</b>		<b>8</b>	<b>284</b>	<b>40</b>	<b>332</b>	1,077
<b>Other recognised gains/losses</b>						
<b>Gains on fixed assets:</b>						
Gains on revaluation	17	6	-	-	<b>6</b>	301
(Losses) on disposal		-	-	-	-	(65)
<b>Total other recognised gains</b>		<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>	236
<b>Net movement in funds</b>		<b>14</b>	<b>284</b>	<b>40</b>	<b>338</b>	1,313
<b>Reconciliation of funds:</b>						
Total funds brought forward at 1 January 2015		56,824	5,282	577	<b>62,683</b>	61,370
<b>Total funds carried forward at 31 December 2015</b>		<b>56,838</b>	<b>5,566</b>	<b>617</b>	<b>63,021</b>	62,683

**BALANCE SHEET AT 31 DECEMBER 2015**

	Notes	2015 £000	2015 £000	2014 £000	2014 £000
<b>Fixed assets:</b>					
Tangible assets (including investment property)	17/18		<b>23,475</b>		22,132
Investments	19		<b>37,347</b>		38,014
<b>Total fixed assets</b>			<b>60,822</b>		60,146
<b>Current assets:</b>					
Trading stock		<b>2</b>		6	
Debtors	20	<b>166</b>		152	
Cash at bank and in hand	21	<b>2,363</b>		2,663	
<b>Total current assets</b>		<b>2,531</b>		2,821	
<b>Current liabilities:</b>					
Creditors: Amounts falling due within one year	22	<b>(332)</b>		(284)	
<b>Net current assets</b>			<b>2,199</b>		2,537
<b>Total net assets</b>			<b>63,021</b>		62,683
<b>The funds of the charity:</b>					
Unrestricted	23/24		<b>56,838</b>		56,824
Restricted	23/24		<b>5,566</b>		5,282
Endowment	23/24		<b>617</b>		577
<b>Total charity funds</b>			<b>63,021</b>		62,683

Approved and authorised by the Trustees on 14 Mar 2016 and signed on their behalf by:



J W Lewis FCA (Retired), BSc (Econ), Hon Treasurer  
The notes on pages 11 to 18 form part of these accounts

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £000	2014 £000
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(73)</b>	531
Investing activities		
Purchase of tangible fixed assets	<b>(1,356)</b>	(2,581)
Proceeds from sale of tangible fixed assets	-	929
Transfer from investment managers	<b>1,129</b>	1,149
	<b>(227)</b>	(503)
(Decrease)/increase in cash & cash equivalents	<b>(300)</b>	28
Cash and cash equivalents at 1 January 2015	<b>2,663</b>	2,635
<b>Cash and cash equivalents at 31 December 2015</b>	<b>2,363</b>	2,663

**Notes to the Cashflow Statement**

1. Reconciliation of changes in resources to net cash inflow from operating activities

Net (outgoing)/incoming resources for the year before revaluation	<b>(130)</b>	480
Depreciation charges (net)	<b>19</b>	16
Decrease in stocks	<b>4</b>	1
(Increase)/decrease in debtors	<b>(14)</b>	27
Increase in creditors	<b>48</b>	7
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(73)</b>	531

2. Analysis of changes in cash and cash equivalents during the year

			Change in Year £000
Short term deposits	<b>2,133</b>	2,559	<b>(426)</b>
Cash at bank and in hand	<b>230</b>	104	<b>126</b>
	<b>2,363</b>	2,663	<b>(300)</b>

# Notes to the Accounts for the year ended 31 December 2015

## 1. Accounting Policies

a) **Basis of preparation.** These financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and ROI (FRS 102) effective 1 January 2015 and the Charities Act 2011.

b) **Reconciliation with previously Generally Accepted Accounting Practice (GAAP).** In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was needed.

Because of the way Governance costs are now treated it was considered necessary to re-apportion the support costs for 2014 on a basis that these costs are now shared proportionally by the remaining activities. The result of this changed the amounts allocated to the resources expended.

	£'000	£'000	£'000
	Previous	Adjustment	Total
<b>Reconciliation of Apportioned Costs</b>			
Costs of generating voluntary Income	473	19	492
Costs of goods sold & other costs -trading	23	-	23
Costs of generating investment income	401	6	407
Direct welfare payments, grants, support & casework costs	2,640	26	2,666
Residential homes	1,782	9	1,791
Publicity and marketing	589	16	605
Governance	76	(76)	-
Total resources expended	<u>5,984</u>	-	<u>5,984</u>

In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income for the year is provided with the net income under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

	£'000
<b>Reconciliation of reported net income</b>	
Net income as previously stated	480
Adjustment for gains on investments now treated as a component of net income	<u>597</u>
2014 net income as restated	<u>1,077</u>

c) **Fund accounting.** Unrestricted funds comprise accumulated surpluses and deficits on general funds; these are available for use at the discretion of the trustees in furtherance of the charity's general objectives. Restricted funds are funds subject to specific restricted conditions imposed by the donors and further explanations for these can be found at note 24. Endowment funds are funds where the capital is held to generate income for charitable purposes and where there is no discretion to expend the capital permanent endowment. Details and explanations of the two permanent endowment funds can be found at note 24.

d) **Income & receipt of endowments.**

**Donations and legacies** are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable and credited to unrestricted funds. Voluntary income, restricted in use by the wishes of the donor, is taken to restricted funds. Income is only deferred when the donor specifies that the donation must only be used in future accounting periods. Legacies are accounted for when received, or when it becomes probable that the legacy will be received and the value can be measured with sufficient reliability.

**Investment income.** Investment income is accounted for in the period in which the charity is entitled to receipt.

**Fees for residential care.** Fees receivable for the use of the premises are accounted for in the period in which the service is provided.

e) **Expenditure.** All expenditure is accounted for on an accruals basis and has been allocated under headings that include all costs to the category. All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure.

**Expenditure on raising donations and legacies** comprise the costs incurred in attracting voluntary income, grants and legacies.

**Expenditure on Charitable activities** comprise the costs of making direct welfare payments, grants and direct welfare support to beneficiaries. They also include the casework costs of running the welfare department. Grants expended are recognised in the Statement of Financial Activities in the period to which they relate. Grants where the beneficiary has not been advised or has to meet certain conditions before the grant is made are not accrued but noted as financial commitments. Residential homes costs are those charges incurred in running the residential homes including the provision of care services. Publicity and communications costs are those relating to the communicating and publicising of R.A.B.I. in general and of specific activities, including publicity and awareness material on the charity, shows, exhibitions and events.

f) **Governance & trustee costs.** This comprises the costs incurred of governing the charity. These costs include strategic planning for its future, audit costs, legal advice for the trustees, complying with constitutional and statutory requirements, preparing statutory accounts and satisfying public accountability and reimbursement to trustees for reasonable travel and

accommodation expenditure whilst carrying out charity business. These costs are allocated to support costs and apportioned accordingly.

- g) **Realised and unrealised gains and losses.** Realised and unrealised gains and losses on fixed assets and investments are recognised in the Statement of Financial Activities in the period to which they relate.
- h) **Investments.** Investments are stated at mid-market price and are listed on recognised stock exchanges.
- i) **Fixed assets.** Freehold land and buildings held for investment purposes are measured at their fair value as at the balance sheet date, other Freehold land & buildings are valued at their historical market value for their current use and are not depreciated. The treatment is a departure from the requirement of FRS 15. The trustees are of the opinion that a systematic annual charge would be inappropriate to the Fund's circumstances. Grants are deducted from any provisions. Depreciation is provided on office/homes equipment (3-10 years) calculated to write off the cost, less residual value if any, on a straight line basis over their expected useful lives. Individual fixed assets costing £1,000 or more are capitalised at historical cost. Impairment reviews of fixed assets are carried out on an individual basis and in such cases then the requirements of FRS11 are applied.
- j) **Pensions.** The charity contributes to defined contribution pension schemes for staff. The assets of this scheme are held separately from those of the charity.
- k) **Stocks.** Stocks are stated at the lower of cost and net realisable value.
- l) **Allocation of overhead and support costs.** Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs, unless based on usage, are apportioned on the basis of a percentage of activity levels as a result of an annual survey and are allocated on a basis consistent with use. The allocation for 2015 is as follows; costs of generating voluntary income 36%, publicity and marketing 18%, investment costs 3%, direct welfare payments 36% and residential homes 7%.
- m) **Financial instruments.** The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.
- n) **Volunteers.** These are recognised in these financial statements on the basis of returns submitted detailing the number of volunteers and hours contributed in helping the charity and not on a value of service provided.
- o) **Transition to FRS 102.** Only an adjustment to the presentation was required in making the transition to FRS 102 as the net movement of funds was unaffected.

	2015	2014
	£'000	£'000
<b>2 Voluntary income</b>		
Annual subscriptions	53	54
Donations	894	1,301
Voluntary income from trusts	293	271
Income tax recovered under Gift Aid	22	39
Grants	50	-
Legacies	885	1,424
	<u>2,197</u>	<u>3,089</u>
<b>3 Trading</b>		
Sales	24	31
- less cost of sales	(13)	(14)
- less operating costs	(8)	(9)
Net profit	<u>3</u>	<u>8</u>
<b>4 Investment income</b>		
Income from estates and development	334	423
Listed securities general fund	1,098	1,178
Interest on loans and deposits	11	15
Trust funds		
- Manson House Special Fund	5	5
- Beaufort House Special Fund	1	1
- RABI Emergency Fund	201	187
- Barnes Trust	22	21
- David Beale Charitable Trust	1	1
	<u>1,673</u>	<u>1,831</u>

	2015 £'000	2014 £'000
<b>5 Costs of raising donations and legacies</b>		
Centralised staff & fundraising costs	120	86
Fundraising costs - Regional/Branches	76	115
Regional staff shared costs	213	138
Legacies	2	2
Allocation of support costs (see note 13)	214	151
	<u>625</u>	<u>492</u>

Costs allocated against costs of generating voluntary income and publicity & marketing are reported separately. Some costs that relate to both, including Regional Staff costs and Campaigns and Events, are apportioned on the basis of Publicity/Marketing 50% and Cost of generating voluntary income 50%.

<b>6 Publicity and marketing</b>		
Central staff, marketing & publicity costs	125	194
Publications and advertising	24	21
Consultancy	-	-
Regional staff shared costs	213	276
Allocation of support costs (see note 13)	107	114
	<u>469</u>	<u>605</u>

These costs relate to the marketing and publicising of the Royal Agricultural Benevolent Institution in general and of specific activities, including publicity and awareness material on the charity, shows, exhibitions and events.

<b>7 Costs of generating investment income</b>		
Investment manager's fees	134	134
Estates expenditure	115	257
Allocation of support costs (see note 13)	18	16
	<u>267</u>	<u>407</u>

<b>8 Direct welfare payments, grants, support and casework costs</b>		
Grants	1,295	1,344
Homes fees paid	261	241
Home helps	49	52
Stapnalls (Emergency Relief)	58	59
Helpline (Aid for working farmers, farming staff and families)	212	238
Welfare support	321	326
Casework costs	193	184
Allocation of support costs (see note 13)	213	222
	<u>2,602</u>	<u>2,666</u>

**Beneficiaries assisted**

	No. Assisted	No. Assisted
Non-working farmers/farmworkers (retired and disabled) regular grants	1,189	1,244
Working farmers/farmworkers	151	148
	<u>1,340</u>	<u>1,392</u>

<b>9 Expenditure commitments</b>		
	£'000	£'000
<b>Grants authorised</b>	<u>2</u>	<u>3</u>

<b>10 Residential homes</b>		
Costs of running residential homes	1,741	1,737
Expenditure from Homes Special Funds (Restricted Funds)	43	16
Allocation of support costs (see note 13)	42	38
	<u>1,826</u>	<u>1,791</u>

	2015	2014
	£'000	£'000
<b>11 Support costs</b>		
Printing, stationery, books, postage, telephone	24	23
Staff costs	334	332
Establishment expenses	61	33
Legal, health & safety, audit and bank charges	30	20
Governance & trustee expenses/costs *	59	53
Office machinery, IT equipment and maintenance	58	53
Staff training	9	7
Sundry expenses	19	20
	<b>594</b>	<b>541</b>

## 12 Governance & trustee costs \*

- **Trustees** receive no remuneration but expenses of £29,814 were paid on behalf of 14 trustees for reasonable travel, accommodation and meals expenditure whilst carrying out charity business and activities compared with £30,695 to 12 trustees in 2014. Included in the trustee expenses/costs is trustee liability insurance costing £2,712 compared with £2,791 in 2014.

- **Governance** costs include the Auditors' remuneration for audit services which in 2015 was £9,600, compared with £9,360 in 2014. Other financial and tax advice was provided by the audit company in 2015 to the value of £1,944 compared with £4,992 in 2014.

Governance also includes the cost of producing Financial Statements and Annual Review and a 50% share of the AGM costs.

## 13 Allocation of support costs

The breakdown of support costs and how much was allocated between resources expended.

	Cost of generating Vol Income £'000	Investment costs £'000	Publicity and comms £'000	Direct welfare payments £'000	Residential homes £'000	Total £'000
Staff costs	120	10	60	120	24	334
Printing, stationery, postage, telephone	9	1	4	8	2	24
Office IT, equipment and maintenance	21	2	10	21	4	58
Establishment expenses	22	2	11	22	4	61
Governance & trustee expenses/costs*	21	2	11	21	4	59
Legal, audit and bank charges	11	1	5	11	2	30
Staff training	3	-	2	3	1	9
Sundry	7	-	4	7	1	19
<b>Total</b>	<b>214</b>	<b>18</b>	<b>107</b>	<b>213</b>	<b>42</b>	<b>594</b>

Support Costs – Method of allocation, all payments are based on a percentage basis and reviewed annually, as detailed in the accounting policy note on page 13.

## Number of Employees

<b>14 Staff numbers</b>	2015	2014
Residential homes	60	56
Welfare & casework	12	12
Fundraising marketing & communications	17	15
Management & admin	7	7
	<b>96</b>	<b>90</b>

The average numbers are based on full-time equivalent employees (including casual and part time staff)

One employee had emoluments for the year between £90,000 - £100,000 (One in 2014)

**Analysis of Staff Costs  
2015**

	<b>Wages £'000</b>	<b>Social Security Costs £'000</b>	<b>Pension Costs £'000</b>	<b>Totals £'000</b>
Residential homes	1,158	77	17	1,252
Welfare & casework costs	354	29	27	410
Fundraising & communications	439	41	12	492
Management & admin	291	34	15	340
	<u>2,242</u>	<u>181</u>	<u>71</u>	<u>2,494</u>

**As a comparison 2014**

Residential homes	1,133	76	14	1,223
Welfare & casework costs	355	29	26	410
Fundraising & communications	432	41	18	491
Management & admin	284	33	15	332
	<u>2,204</u>	<u>179</u>	<u>73</u>	<u>2,456</u>

**15 Other income**

Other income for 2015 includes a one off payment of £30k in respect of a plot of land sold by RABI in 2004 in which there was a covenant that specified if planning permission was granted for development within 15 years of the transfer of the property then R.A.B.I would be entitled to have value of the part of the property with the benefit of planning permission.

**16 Recognition of volunteers**

R.A.B.I, like many charities, relies on the contribution of time and effort by its volunteers. These volunteers are involved in generating income for the charity as well as assisting in delivering many of its other services. The table below based on returns submitted, details the number of volunteers and the amount of hours they have contributed in helping R.A.B.I. carry out its work in 2015.

<b>Fundraising</b>		<b>Welfare No</b>		<b>Support No</b>		<b>Publicity</b>		<b>Total</b>	<b>Total</b>
<b>No Vols</b>	<b>Hrs</b>	<b>Vols</b>	<b>Hrs</b>	<b>Vols</b>	<b>Hrs</b>	<b>No Vols</b>	<b>Hrs</b>	<b>Vols</b>	<b>Hrs</b>
438	6,470	23	115	173	2,253	152	1,182	786	10,020

**17 Tangible fixed assets**

	<b>Investment land and buildings £'000</b>	<b>Freehold land and buildings £'000</b>	<b>Office/ homes equipment £'000</b>	<b>TOTAL £'000</b>
<b>Cost</b>				
At 1 January 2015	11,087	11,012	81	22,180
Additions	-	1,346	10	1,356
Revaluations	-	6	-	6
Disposals	-	-	(10)	(10)
At 31 December 2015	<u>11,087</u>	<u>12,364</u>	<u>81</u>	<u>23,532</u>
<b>Depreciation</b>				
At 1 January 2015	-	-	48	48
Charge for 2015	-	-	19	19
Disposals	-	-	(10)	(10)
At 31 December 2015	<u>-</u>	<u>-</u>	<u>57</u>	<u>57</u>
<b>Net Book Value</b>				
At 31 December 2015	<u>11,087</u>	<u>12,364</u>	<u>24</u>	<u>23,475</u>
At 31 December 2014	<u>11,087</u>	<u>11,012</u>	<u>33</u>	<u>22,132</u>

**Investment land and buildings** (farms and estates) have been taken at their book value as at the balance sheet date and will be reviewed periodically and measured at their fair value, with additions added at cost:-

Brook Farm, Red Book value, December 2010

Moles Farm, Red Book value, December 2009.

Furzehill Farm, Red Book value, December 2014

Caustons Hall Estate, Red Book value, at December 2011

Mounstephen Estate, Red Book value, December 2012

Boarscroft Farm, Probate value, December 2012

All other farms & estates are currently valued at 15 times the rentals (as at 31 Dec 2014)

**Freehold Land and buildings** those assets providing an economic benefit to the charity on an on-going basis at historical cost:-

**Shaw House** - estimated at £887,000, December 2009

**Residential homes** -

Beaufort, 3 times the fees as at Dec 2015. Manson rebuild costs to date (31 Dec 2015) with £0.5m land value added. Both homes with additions added at cost going forward.

<b>18 Capital commitments</b>	<b>2015</b>	2014
	<b>£'000</b>	£'000
Authorised and contracted for	<b>110</b>	750
Authorised but not contracted for	<b>180</b>	10
	<b>290</b>	760

These capital commitments are for the on-going Manson House rebuild project and retention amounts (£55k), Manson House Improvements (£180k) and Beaufort Court (£55K installation of central heating to flats).

<b>19 Investments</b>	<b>2015</b>	2014
	<b>£'000</b>	£'000
Market value at 1 January	<b>38,014</b>	38,566
Gains/(losses) upon disposal	<b>450</b>	146
Transfers to/(from) investments	<b>(1,129)</b>	(1,149)
Net gains/(losses) on revaluation at 31 December	<b>12</b>	451
Market value at 31 December	<b>37,347</b>	38,014
Historical cost at 31 December	<b>28,883</b>	28,827
<b>Investments comprise:-</b>		
Quoted investments - UK	<b>33,321</b>	33,724
Quoted investments - Overseas	<b>3,520</b>	3,514
Cash held within investments portfolios	<b>506</b>	776
	<b>37,347</b>	38,014

**Material investments greater than 5% of portfolio:**

3,653,500 Capita Financial Managers Trojan Income S Inc – Market value at 31 Dec 2015 - £6,658,869

<b>20 Debtors</b>		
Taxation recoverable	<b>15</b>	13
Other debtors	<b>126</b>	118
Prepayments	<b>25</b>	21
	<b>166</b>	152
<b>21 Cash at bank and in hand</b>		
Cash and current account balances	<b>130</b>	104
Short term deposits	<b>2,233</b>	2,559
	<b>2,363</b>	2,663



	2015	2014
	£'000	£'000
<b>22 Creditors</b>		
Fees and commissions	26	53
Other creditors	247	140
Taxation and social security (PAYE, NIC & VAT)	59	91
	332	284

### 23 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Current assets £000	Current liabilities £000	TOTAL £000
<i>Restricted funds</i>					
Manson House Special Fund	-	147	24	-	171
Beaufort House Special Fund	-	17	2	-	19
RABI Emergency Fund	-	5,374	-	-	5,374
Glos NFU Farmers Trust	-	-	2	-	2
	-	5,538	28	-	5,566
<i>Endowment funds</i>					
The Barnes Trust	-	598	-	-	598
David Beale Charitable Trust	-	19	-	-	19
	-	617	-	-	617
<i>Unrestricted funds</i>					
At 31 December 2015	23,475	31,192	2,503	(332)	56,838
	23,475	37,347	2,531	(332)	63,021

### 24 Statement of funds

	Balance 01-Jan-15 £'000	Incoming resources £'000	Expenditure £'000	Investment gains/ losses £'000	Gains on fixed assets £'000	Transfers £'000	Balance 31-Dec-15 £'000
<b>Unrestricted funds</b>	56,824	5,312	(5,420)	66	6	50	56,838
<b>Restricted funds</b>							
Manson House Special Fund	198	8	(44)	9	-	-	171
Beaufort House Special Fund	17	1	-	1	-	-	19
RABI Emergency Fund	5,067	229	(268)	346	-	-	5,374
Income from Barnes Trust	-	22	(22)	-	-	-	-
Gloucestershire NFU Farmers Trust	-	4	(2)	-	-	-	2
Clothworkers Foundation	-	50	-	-	-	(50)	-
Restricted Voluntary Income (Various)	-	54	(54)	-	-	-	-
	5,282	368	(390)	356	-	(50)	5,566
<b>Endowment funds</b>							
<i>Permanent endowment</i>							
The Barnes Trust	559	-	-	39	-	-	598
David Beale Charitable Trust	18	-	-	1	-	-	19
	577	-	-	40	-	-	617
<b>TOTAL FUNDS</b>	62,683	5,680	(5,810)	462	6	-	63,021

**The Manson House Special Fund** initially arose through the generosity of three Trusts, The Eleanor Stevens Trust, The J W Watmough Trust and The Nowton Almshouse Trust for the benefit of the residents of Manson House. These funds have since been added to by various fundraising efforts and gifts specifically for the benefit of the residents. The funds are accumulated and used to provide as and when the need arises, or a contribution towards, or full funding of, certain projects delivering mutual benefit to the residents.

**The Beaufort House Special Fund** was created in an attempt to bring funds in which would benefit the residents in the same way that the Manson House Special Fund has done. These funds have come from various fundraising efforts and gifts specifically for the benefit of the residents. The funds are accumulated and used to provide as and when the need arises, or a contribution towards, or full funding of, certain projects deriving mutual benefit to the residents.

**R.A.B.I. Emergency Fund** represents the balance of money from public donations received during the 2001 Foot & Mouth epidemic and restricted working farmer donations and subsequent restricted donations to help working farmers only. This money is used to provide help, both emergency and via the Gateway training project, for working farmers, farm workers and their families affected by death, disaster or disease in farming. In 2015 this fund was actively used to provide assistance to beneficiaries in counties affected by the flooding.

**Gloucestershire NFU Farmers Trust.** This was a donation to fund hampers for beneficiaries in the county of Gloucestershire only.

**Income from Barnes Trust** is the income from the Barnes Trust Permanent Endowment Fund and is to aid beneficiaries in Dorset, Hampshire or Somerset who are in conditions of need, hardship or distress.

**Clothworkers Foundation** is a grant from the foundation to be used in the refurbishment of Manson House residential home.

**Restricted Voluntary Income (Various)** represents other general restricted funds. The funds received/expended involved the 2015 campaign for Christmas Hampers (£20k). There was also specific regional expenditure for Dorset (£10k), Kent (£5k), Cumbria only for Flooding (£2.4k), Sir Ralph Verney Memorial Trust for Anglesey (£3.5k), Norwich Area of Norfolk (£0.7k), Leicestershire (£0.5k), Nancy Potter Trust for beneficiaries in specific EX postcodes in Exeter area Devon (£7.5k), North Yorkshire (£1.5k) and Shropshire (£2.5k). In all cases the conditions specified by the donor or the fundraising were met in full.

**The John Iles Barnes Charity for Farmers and their Widows** (Registered Charity No 282661), was founded by will in 1914 to relieve the aforesaid persons who are, or have been engaged in agriculture, being resident in the counties of Dorset, Hampshire or Somerset and who are in conditions of need, hardship or distress. By a Scheme, including appointment of R.A.B.I. as trustee, of the Charity Commissioners dated 28 March 1994, the Charity was transferred to R.A.B.I. The fund is represented by a separate investment.

**David Beale Charitable Trust** represents the permanent endowment capital funds transferred to R.A.B.I. when the trustees brought the fund to an end in 2004 and again in 2009 when the Trustees of the fund wound up the Trust completely. The income from the fund is to be applied for the general purposes of the charity.

**INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION**

We have audited the financial statements of The Royal Agricultural Benevolent Institution for the year ended 31 December 2015, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charities trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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.

**Scope of the audit of 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 charity'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. In addition, we read all the financial and non-financial information in the Council of Trustees Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

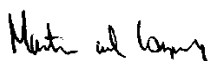
In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015, 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 Charities Act 2011.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Council of Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Martin and Company**  
**Chartered Accountants**  
**Statutory Auditor**  
**15 March 2016**

**25 St Thomas Street**  
**WINCHESTER**  
**SO23 9HJ**

*Martin and Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*