

Alabaré Christian Care Centres
(A Company Limited By Guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 March 2016

Company number: 2604011

Charity number: 1006504

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For the year ended 31 March 2016**

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**Alabaré Christian Care Centres
Report of the Trustees**

For the year ended 31 March 2016

The Trustees present their report together with the financial statements of the Charity for the year ended 31 March 2016, which should be read in conjunction with the reference and administrative details on page 10. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements. This report has been prepared with consideration of the public benefit of Alabaré's aims and activities.

Alabaré Christian Care Centres is a charity registered with the Charity Commission and a company limited by guarantee. Since 1st January 2010, the Charity has been trading under the name Alabaré Christian Care & Support, as agreed by the Board of Trustees; however it continues to exist under the registered name of Alabaré Christian Care Centres.

OBJECTIVES AND ACTIVITIES

Objects

The objects of Alabaré Christian Care Centres, as set out in its governing document, are:

- The relief of poverty by the provision of special accommodation and ancillary services, such as day centres and counselling, for those who are by reason of social, emotional and/or physical disadvantage (impairment) are in need of sustained support to enable them to lead lives which permit choice and development of their potential and an assured place in society;
- The relief and prevention of sickness, disease and physical and mental disability;
- The advancement of religion.

Objectives and Public Benefit

The Charity's objectives are set to reflect its community aims. Each year the Trustees review its objectives and activities to ensure that they continue to reflect its aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and, in particular, its supplementary public guidance on 'the prevention or relief of poverty for the public benefit' and 'the advancement of religion for the public benefit'.

Our Vision

Our vision in Alabaré is a society where everyone has the opportunity to live a fulfilling life.

Our Mission

Our Mission is to support people to find purpose, hope and meaning in their lives, by providing:

- Good quality accommodation – a safe home till they can find a permanent home;
- Professional support and advice- offering choice and explaining consequences;
- Training in life skills;
- Care, compassion and respect – listening to their needs and aspirations;

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- Support in overcoming the barriers they face in transforming their lives.

Our Values

The values that lie at the heart of our work are:

- care for service users, who are often vulnerable and marginalised;
- compassion for those in difficulty or in distress;
- generosity in allowing people another chance;
- respect for all, valuing each person, their experience, opinions and choices.

Our Principles

The principles embodied in the professional nature of our work:

- Integrity – expressed in honesty and reliability, transparency, accountability and trustworthiness;
- Inclusiveness – welcoming people from all backgrounds, treating them fairly, recognising and valuing their distinctiveness as individuals;
- Empowerment – creating an environment which enables people to take control of their own lives, by listening to them and offering choice wherever possible;
- Equality in the delivery of services to our service users and employment of staff, and recognising and valuing the diversity of the communities we serve;
- Collaboration in our enthusiasm for working in partnership with others.

ACHIEVEMENTS AND PERFORMANCE

Strategic Plan 2015 – 2020

In April 2015 the Board of Trustees approved a new strategic plan for the charity, replacing the Business Plan 2012 – 2017. The new plan sets out 8 strategic aims, summarised below:

- Strategic Aim 1 Ensure that our service users are at the heart of everything we do.
- Strategic Aim 2 Understand the extent of social exclusion in the areas we operate and both the relevance and impact our services have in breaking this cycle.
- Strategic Aim 3 Focus on the communities we serve and know the context in which they are located.
- Strategic Aim 4 Ensure we are a Christian sign of hope by welcoming people of all faiths and none and enabling all to have the opportunity to nurture a spiritual life.
- Strategic Aim 5 Ensure that the charity has diverse and sustainable funding streams.

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Strategic Aim 6 Operate with the benefit of the highest standards of Governance.

Strategic Aim 7 Renew and enhance our commitment to volunteering.

Strategic Aim 8 Ensure all projects are developed and maintained to an excellent standard.

During the year 2015/16 we made progress in meeting the targets in 2015 – 2020 Business Plan. Listed are some of the highlights from the year.

Meeting the Needs of Vulnerable People in our Community

- Providing care and support to 2,479 people (last year 3,412), of which 85 % (last year 86%) move on from our services in a planned way.
- Progress in the Excellence Service Initiative, lead by the Quality and Audit Committees, to raise standards of homes, services, shops and central services through a vigorous audit process.
- Life Conversations initiative with the aim is to encourage conversations that touch on spirituality for our service users and staff.
- Due to cut backs and re-commissioning by local authorities we have closed our Plymouth Temporary Supported Accommodation (May 2015), the Community 4 Floating Support Service (May 2015) The Trowbridge drop in centre was closed in December 2015. In March 2016 the Alabaré Include service ended and staff transferred to a new provider. These changes leave us concerned about how the vulnerable and marginalised will be supported in the future.
- Despite the loss of the Supporting People contract for Andrew House in Clevedon, North Somerset, the Trustees agreed to continue this valuable service for men recovering from substance misuse, to be funded by the local community. The Board of Trustees reviewed these arrangements in January 2016 and were grateful for the support from the charity ReMission who are financially supporting the work.
- Purchase of 2 properties for veterans in Colwyn Bay, which was completed in May 2015 and Swansea, which was completed in March 2016. These two properties, along with homes in Pontypridd and Llandudno Junction were part funded with a grant from MOD LIBOR fund.
- Working in partnership with First Choice Housing Association to develop supported and move on accommodation for veterans in Wales. First Choice developed a 12 bed home in Wrexham, which Alabaré manages. The home opened in January 2016.
- Working in partnership with Our Enterprise and Our Wilton to develop Wilton Hill as a veterans village. The estimated date for completion is November 2017. Alabaré will manage 12 units for supported housing for vulnerable veterans.

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Report of the Trustees**

For the year ended 31 March 2016

Income Generation

- Restructuring of the Executive Management Team, which resulted in the deletion of the posts of Campaign Director and Commercial Director and the creation of the post of Income Generation Director.
- In recognition of the reductions in funding the Trustees approved a £400k investment in the Income Generation team in 2014. During 2015/16 the recruitment was completed which has seen a new Community Fundraising Team created.
- Working with Crisis Centre Ministries on the joint venture, Changing Lives. Changing Lives operates charity shops in Bristol and North Somerset. The profit from Changing Lives is donated to Crisis Centre Ministries and Alabaré. However it has been a difficult year for Changing Lives and Alabaré loaned Changing Lives £10k, with a further £2.5k advanced in May 2016.
- Gaining financial support from The Soldiers Charity, Seafarers, Help for Heroes and the Royal British Legion, RAFA, RAF Benevolent Fund, RN & RM Charity for our work with veterans.
- Securing a grant of £903k from LIBOR for the redevelopment of our Bristol Homes for Veterans.
- A feasibility study in developing the Old Sarum Development Centre into a social enterprise. The feasibility study was funded by the Royal British Legion.
- Support from Wiltshire Community Foundation for a new mini bus for our Barford St. Martin Training Unit.

Raising awareness of our work

- 25th anniversary year of the charity from March 2016. An opportunity to present the work of the charity and our aspirations for the future.

Staff and Volunteers

- Successful reaccreditation by Investors in People in March 2016.
- Issuing of Alabaré Inspire Awards to 17 staff, volunteers and service users in 2015/16.

Governance and Management Structure

- Creation of the new Income Generation Committee to provide the leadership and monitoring for developing fundraising income.

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Report of the Trustees**

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- Recruitment campaign for new Trustees which saw three new trustees appointed in April 2015. Three trustees stepped down at the July 2015 AGM.
- Investment in trustees training.

FINANCIAL REVIEW

During the year 2015/16 the total income raised was £7.989m and total costs £7.750m resulting in a surplus of £239k. This surplus was achieved through securing a £903k grant from LIBOR towards the redevelopment of the veterans homes in Bristol, offset by falling statutory income and higher costs incurred in the delivery of services and the investment in the Community Fund Raising programme.

The principal funding sources are set out below:

	£	
Supporting people Contracts	1,125,474	14.1%
Accommodation Charges	2,445,640	30.6%
Other Contracts	2,332,723	29.2%
Voluntary Donations	1,125,422	14.1%
Other Activity Related	40,837	0.5%
Charity Shops	572,228	7.2%
General Grants	330,955	4.1%
Fund raising Events	14,615	0.2%
Bank Interest	1,800	0.0%
TOTAL INCOME	7,989,694	100.0%

We have seen a move away from statutory sources, particularly Supporting People contracts this year as we anticipated last year. For our work with homeless people in Wiltshire, the contracts run to March 2017. In Hampshire the Supporting People contracts for our Young Persons Services have been renewed and run to March 2017. The remaining contracts are being extended on a short term basis.

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For the year ended 31 March 2016

The main components of expenditure were:

	£	
Staff Costs and recruitment and Agency Costs	4,828,191	62.3%
Training Costs	69,869	0.9%
Rent of properties	1,151,546	14.9%
Repairs & Maintenance	148,596	1.9%
Heat & Light	203,853	2.6%
Water rates and council tax	184,312	2.4%
Staff travel	191,607	2.5%
Depreciation & loss on disposal	223,519	2.9%
Telephone & IT	187,716	2.4%
Equipment, furniture etc	86,884	1.1%
Stationery, printing etc	115,919	1.5%
Insurance	56,218	0.7%
Professional Fees inc Governance Costs	134,980	1.7%
Debt costs	82,682	1.1%
Other	84,394	1.1%
TOTAL EXPENDITURE	7,750,286	100.0%

Being part of the service sector means that employees are the Charity's most valuable asset and consequently the biggest cost, amounting to £4.769m in the year to 31st March 2016, representing an average of 168 full-time equivalents. The Charity continues to have a strong commitment to the training and development of its staff, as evidenced by the re-accreditation by Investors in People in March 2016. The Charity has maintained its IIP status since 2001.

The non staff costs relate to the day to day running, upkeep and support of the 86 properties used to deliver our services and the 12 other properties used for regional and central administration and our retail activities.

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Report of the Trustees**

For the year ended 31 March 2016

Reserves Policy

The Charity's Reserves Policy was last reviewed in February 2016. The purpose of the policy is to ensure the sustainability of the work particularly in respect of vulnerable users of our services. The old policy had a simple multiple of costs to be covered by the reserve. The new policy distinguishes two components of our work. The first component is the provision of contracted services to local authorities. This work and its costs are backed by regular and predictable flows of income and whilst the services are subject to renegotiation the statutory provision will continue albeit potentially by an alternate provider thus making a reserve unnecessary to cover this element.

The second component is the work that is funded by discretionary flows of income and is therefore the most vulnerable. Our 5 year history indicates a level of average core of some £500k which has proved sufficient to sustain this element of our work historically. However we believe it is prudent to hold a reserve that protects the charity against

The policy seeks to ensure that we have sufficient cash and reserves to avoid any sudden interruption to those discretionary flows. Our current assessment of that requirement is a reserve of the order of £60k.

In the last 12 months we have also invested in a community fund raising initiative to further reduce our dependency on local government funding. It should also be noted that a significant proportion of the restricted fund relates to this unfunded work.

The charity benefits from a healthy level of overall reserves although the majority are in the form of property. However given the underlying pressures from Local Government funding which has created an underlying deficit, the charity has reluctantly had to make 4 posts redundant in 2015/16. At the end of the year the charity had total reserves of £3,316,496 of which £1,032,779 are held for restricted purposes, £2,216,181 are represented by fixed assets less their associated funding, leaving a remaining unrestricted free reserve balance of £67,536.

Financial Risk Management

Price Risk:

The Charity is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services purchased in the UK.

Credit Risk:

The amount of exposure to any individual counterparty is not currently subject to a limit that is re-assessed annually. This is due to the type of customers and also the fact that most contracts are with public bodies.

Liquidity Risk:

The Charity actively maintains a mixture of cash and long-term debt finance that is designed to ensure that the Charity has sufficient available funds for operations and planned expansions.

Interest rate risk:

The Charity has both interest bearing assets and interest bearing liabilities which earn interest at both fixed and variable rates, and are therefore monitored closely to ensure that any risk is mitigated.

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Report of the Trustees**

For the year ended 31 March 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Alabaré Christian Care Centres is a charitable company limited by guarantee and was set up on 11th March 1991. It is governed by a Memorandum and Articles of Association, which were last amended in 2004.

Trustee Board

All trustee appointments are approved by the full Board of Trustees. The Board of Trustees regularly reviews the skills at Board and Committee. As a result of these reviews three new trustees started in April 2015. Applications for trusteeship are encouraged from all sections of the community. In addition, the Trustees are keen that their membership reflects the geographical area that the Charity serves.

The Memorandum and Articles require that two thirds of the trustees shall be active members of a church belonging to Churches Together in England and Wales. One third of the trustees must retire at each Annual General Meeting, those longest in office retiring first and the choice between any of equal service being made in lots. The Board reserves four of its places to be filled by election from amongst nominated members of the Alabaré Christian Community.

The Charity has a policy for the recruitment of trustees. On appointment, new trustees are offered training. In addition, each year there are two half day training sessions for all trustees. The last three were held on 11th February 2015, 2nd December 2015 and 25th May 2016. Trustees also have to complete a number of mandatory online courses including safeguarding.

The Board of Trustees meets four times a year. The Board of Trustees delegates certain functions to committees. The Board undertook an extensive review of the committee structure in 2012/13. In order to improve and simplify the Governance structure, a number of committees were abolished and since October 2014 four Board committees have been created – i) Governance; ii) Quality and Audit; iii) Finance and Resources; iv) Income Generation. Each committee is chaired by a trustee and its decisions are approved by the Board of Trustees. Each Trustee serves on at least one committee. At 31st March 2016, The Governance Committee was chaired by Susan Pendrey, Finance and Resources by Malcolm Cassells, Quality and Audit by Christine Robinson and Income Generation by James Lang. Each committee consists of Trustees and volunteers with the appropriate experience.

Although the Board is the key decision-making body, many day to day decisions are made by appropriate staff within the framework of policies and procedures approved by the Board.

The charity is led by the Executive Management Team which consists of Andrew Lord, Chief Executive Officer, with the support of three directors – Ian Burnham Finance Director, Janet Herring Care and Support Director and Martin Field Income Generation Director.

Risk Management

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of control, financial or organisational. They are responsible for ensuring that:

- The Charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;

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- Proper records are maintained and that financial information used within the Charity, or for publication, is reliable;
- The Charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by Trustees;
- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The major risks to which the Charity is exposed are:

- Quality of services;
- Uncertainty of income from statutory sources including proposed changes to Housing Benefit;
- Low fundraising income returns.

Objective	Risk	How We Management the Risk
Provide homes and services to vulnerable people.	A serious protection incident causes harm to an individual and / or serious reputational damage to the charity, with legal and financial consequences.	Creation of the Care and Support Department with a clear focus on quality. Sufficient and appropriately trained paid and volunteer staff. Internal audit by the Quality and Audit Committee.
To deliver services to our core beneficiaries.	A reduction in statutory contracts that reduces our income to a level that impacts the delivery of services.	Regular meetings with funders for early warning of any reduction in funding. Development of new income streams for core work.
To deliver services to our core beneficiaries.	A reduction in voluntary contributions leaving us insufficient income to meet our needs and objectives.	Regular review Development of new income streams for core work. Closure of service.

**Alabaré Christian Care Centres
Report of the Trustees**

For the year ended 31 March 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Company number	2604011
Charity number	1006504
Registered office	Riverside House 2 Watt road Salisbury Wiltshire SP2 7UD
Trustees	John Proctor (Chairman) David Durston (Vice Chairman) Jeffrey Peacock Timothy Robertson (resigned 15th July 2015) David Lawes Malcolm Cassells Susan Pendrey Steve Godwin (resigned 15th July 2015) Kwame Kusi-Obudum (resigned 15th July 2015) Christine Robinson James Lang Don Alexander Phil Davis Martin Clark Stuart Rivers
Chief Executive Officer	Andrew Lord
Bankers	The Royal Bank of Scotland plc 14 Minster Street Salisbury Wiltshire SP1 1TP
Solicitors	Wilson Alexandra House St Johns Street Salisbury Wiltshire SP1 2SB
Auditors	Fawcetts Chartered Accountants and Statutory Auditors Windover House St Ann Street Salisbury Wiltshire SP1 2DR

**Alabaré Christian Care Centres
Report of the Trustees**

For the year ended 31 March 2016

TRUSTEES' REPONSIBILITIES

Company law requires the Trustees (who are also the Directors of Alabaré Christian Care Centres Ltd for the purpose of company law) to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently, making judgments and estimates that are reasonable and prudent. The Trustees also must prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, which 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 Companies Act 2006. The Trustees also are responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURES TO AUDITORS

Each Trustee of the company has confirmed in fulfilling his/her duties as a Trustee:

- (a) So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware;
- (b) Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution to appoint Fawcetts as auditors for the ensuing year will be proposed at the annual general meeting.

This report was approved by the Board of Trustees and signed on its behalf by:

John Proctor

Chair of Trustees/Directors

Date: 23 June 2016

**Report of the Independent Auditors
To the Members of
Alabaré Christian Care Centres**

We have audited the financial statements of Alabaré Christian Care Centres for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of Alabaré Christian Care Centres for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards as Auditors.

Scope of the audit of the financial statements

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 31 March 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors (continued)
To the Members of**

Alabaré Christian Care Centres

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Directors and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Simon Ellingham BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts
Chartered Accountants & Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

Date: 12 July 2016

**Alabaré Christian Care Centres
Statement of Financial Activities**

For the year ended 31 March 2016

	Note	Unrestricted £	Restricted £	2016 Total £	2015 Total £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	50,582	1,405,795	1,456,377	422,415
Charitable activities	3	5,943,324	-	5,943,324	5,752,200
Other trading activities	4	573,742	14,451	588,193	604,486
Investment Income	5	1,800	-	1,800	4,593
		<u>6,569,448</u>	<u>1,420,246</u>	<u>7,989,694</u>	<u>6,783,694</u>
EXPENDITURE ON:					
Raising funds	6	1,269,943	-	1,269,943	922,224
Charitable activities	6	5,721,368	758,975	6,480,343	6,382,181
		<u>6,991,311</u>	<u>758,975</u>	<u>7,750,286</u>	<u>7,304,405</u>
NET INCOME/(EXPENDITURE)		(421,863)	661,271	239,408	(520,711)
Transfers between funds		248,408	(248,408)	-	-
NET MOVEMENT IN FUNDS		<u>(173,455)</u>	<u>412,863</u>	<u>239,408</u>	<u>(520,711)</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		2,457,172	619,916	3,077,088	3,597,799
TOTAL FUNDS CARRIED FORWARD		<u><u>2,283,717</u></u>	<u><u>1,032,779</u></u>	<u><u>3,316,496</u></u>	<u><u>3,077,088</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes form part of these financial statements

**Alabaré Christian Care Centres
Balance Sheet**

As at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible fixed assets	13	3,848,087	3,656,352
Current assets			
Stock	14	208,915	642,686
Debtors	15	451,487	730,270
Investments	16	9,000	9,000
Cash at bank and in hand		<u>1,017,713</u>	<u>666,233</u>
Total current assets		1,687,115	2,048,189
Liabilities			
Creditors: Amounts due within one year	17	<u>(675,357)</u>	<u>(1,442,133)</u>
Net current assets		<u>1,011,758</u>	<u>606,056</u>
Total assets less current liabilities		4,859,845	4,262,408
Creditors: Amounts due after more than one year	18	<u>(1,543,349)</u>	<u>(1,185,320)</u>
NET ASSETS		<u><u>3,316,496</u></u>	<u><u>3,077,088</u></u>
Funds			
Unrestricted funds:			
General fixed assets less associated funding	20	2,216,181	2,055,230
General - other funds	20	<u>67,536</u>	<u>401,942</u>
Total unrestricted general funds		2,283,717	2,457,172
Restricted income funds	20	<u>1,032,779</u>	<u>619,916</u>
TOTAL CHARITY FUNDS		<u><u>3,316,496</u></u>	<u><u>3,077,088</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees on 23 June 2016 and were signed on its behalf by:

Rev John Proctor (Chairman)

The notes form part of these financial statements

Alabaré Christian Care Centres

Statement of Cash Flow
For the year ended 31 March 2016

	Notes	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by/(used in) operating activities	a	737,452	(948,656)
Cash flows from investing activities:			
Purchase of property and other fixed assets		(621,727)	(1,873,962)
Transfer of fixed assets to stock		204,971	638,742
Net cash provided by/(used in) investing activities		<u>(416,756)</u>	<u>(1,235,220)</u>
Cash flows from financing activities:			
Repayments of borrowing		(287,716)	(51,196)
Cash inflows from new borrowing		318,500	1,122,800
Net cash provided by/(used in) financing activities		<u>30,784</u>	<u>1,071,604</u>
CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		351,480	(1,112,272)
Cash and cash equivalents brought forward	b	666,233	1,778,505
CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 31 MARCH 2016	b	<u>1,017,713</u>	<u>666,233</u>

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net income/(expenditure) for the year as per the Statement of Financial Activities	239,408	(520,711)
Adjusted for:		
Depreciation	225,021	176,522
(Increase)/decrease in stock	433,771	(642,686)
(Increase)/decrease in debtors	278,783	(218,101)
Increase/(decrease) in creditors	(439,531)	256,320
Net cash (used in)/provided by operating activities	<u>737,452</u>	<u>(948,656)</u>

b) Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>1,017,713</u>	<u>666,233</u>

Alabaré Christian Care Centres
Notes to the Financial Statements
For the year ended 31 March 2016

1. Accounting policies

a) Basis of preparation of the accounts

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom, the accounting regulations issued under the Companies Act 2006 and the Statement of Recommended Practice (SORP) FRS102 "Accounting and Reporting by Charities".

The results include those of the parent company only and not the subsidiary on the grounds of immateriality.

b) Reconciliation with previous Generally Accepted Accounting Practice

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 required. At the date of transition no restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided below.

	2015	2014
	£	£
Fund balances previously stated	3,077,088	3,597,799
Adjustments required under FRS102	-	-
 Fund balances under FRS102	<u>3,077,088</u>	<u>3,597,799</u>

c) Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in the furtherance of the objectives of the charity.

Restricted funds are those donated, or raised, for use in a particular area or for a specific purpose.

All funds are reviewed annually and transfers between funds undertaken as determined by that review.

d) Income

Income is recognised in the Statement of Financial Activities when the charity is legally entitled to it, there is certainty of receipt and the amount can be quantified with reasonable accuracy.

Income from charitable activities includes income as earned (i.e. as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Where contractual income is received in advance it is deferred and included in deferred income within creditors.

Investment income is recognised on a receivable basis. On-line shop income and income derived from events is recognised as earned.

e) Expenditure

Expenditure is recognised when a liability is incurred. This means that expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT where applicable.

Raising funds are those costs incurred in attracting voluntary income, and those incurred in fundraising activities/events and retail.

Expenditure directly attributable to a specific activity category (e.g. raising funds and charitable activities) has been included in the relevant category. Where costs are attributable to more than one activity, they are apportioned across activities based on the time spent by staff on those activities and their use of shared resources.

The costs of central support services have been allocated to activity cost categories on a basis consistent with use of the resources pro rata to the salaries of the various operations.

Alabaré Christian Care Centres
Notes to the Financial Statements
For the year ended 31 March 2016

1. Accounting policies (continued)

f) Donated good and volunteer and other donated services

Donated goods are recognised in different ways dependent on how they are used by the charity:

- (i) those donated for direct transmission to beneficiaries (chiefly clothing and food) are not included in the statement of financial activities on the basis that, if they had not been donated, the charity would not have purchased them;
- (ii) those donated to be used in service provision (eg food for use in providing meals at the drop-in centre) are also not included in the statement of financial activities on the same basis as above.
- (iii) the value of services provided by volunteers is not incorporated into these financial statements;
- (iv) other goods which are donated for sale through the retail operation are not included in the accounts until they are sold as they have no cost attached;
- (v) where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

g) Pension costs

The charitable company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

h) Leasing and hire purchase commitments

Rental payments under operating leases are charged as expenditure as incurred over the term of the lease.

i) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost and depreciated over their useful economic lives, less any estimated residual value, at the following rates:

Land	Not depreciated
Freehold buildings	50 years
Short leasehold buildings	Period of lease
Furniture and equipment	4 years
Computer equipment	4 years
Motor vehicles	4 years
Short life assets	1 year

j) Investments

Investments are included in the financial statements at market value. All gains and losses are taken to the Statement of Financial Activities in line with the Charity SORP.

K) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Alabaré Christian Care Centres
Notes to the Financial Statements

For the year ended 31 March 2016

2. Donations and legacies	Unrestricted	Restricted	Total	Total
	£	£	2016	2015
			£	£
Charitable Trusts - general grants	2,200	328,755	330,955	293,449
Other general grants	-	918,623	918,623	450
Corporate donations	4,195	15,954	20,149	13,544
Individual donations	34,106	101,583	135,689	81,679
Church/community groups	10,081	40,880	50,961	33,293
Legacies	-	-	-	-
	<u>50,582</u>	<u>1,405,795</u>	<u>1,456,377</u>	<u>422,415</u>
	<u>50,582</u>	<u>1,405,795</u>	<u>1,456,377</u>	<u>422,415</u>
3. Charitable activities	Unrestricted	Restricted	Total	Total
	£	£	2016	2015
			£	£
Supporting people	1,125,474	-	1,125,474	1,503,842
Other public sector contracts	887,071	-	887,071	821,789
Other contracts	1,445,652	-	1,445,652	1,129,423
Self directed support	292,848	-	292,848	124,272
Accommodation charges	2,150,571	-	2,150,571	1,791,445
Residential fees	2,221	-	2,221	302,899
Room hire	23,055	-	23,055	23,099
Student training fees	6,974	-	6,974	8,132
Other income	9,458	-	9,458	47,299
	<u>5,943,324</u>	<u>-</u>	<u>5,943,324</u>	<u>5,752,200</u>
	<u>5,943,324</u>	<u>-</u>	<u>5,943,324</u>	<u>5,752,200</u>
4. Other trading activities	Unrestricted	Restricted	Total	Total
	£	£	2016	2015
			£	£
Sponsored events	164	14,451	14,615	36,699
Sales from retail activities	572,228	-	572,228	544,787
Income from joint venture charity shop	1,350	-	1,350	23,000
	<u>573,742</u>	<u>14,451</u>	<u>588,193</u>	<u>604,486</u>
	<u>573,742</u>	<u>14,451</u>	<u>588,193</u>	<u>604,486</u>
5. Investment income	Unrestricted	Restricted	Total	Total
	£	£	2016	2015
			£	£
Bank interest	1,800	-	1,800	4,593
	<u>1,800</u>	<u>-</u>	<u>1,800</u>	<u>4,593</u>
	<u>1,800</u>	<u>-</u>	<u>1,800</u>	<u>4,593</u>

**Alabaré Christian Care Centres
Notes to the Financial Statements**

For the year ended 31 March 2016

6. Expenditure	Direct costs £	Support costs £	Total 2016 £	Total 2015 £
<i>Raising funds</i>				
Fund raising team	436,888	44,807	481,695	175,183
Retail team	281,894	28,911	310,805	296,863
Other expenses and costs	433,031	44,412	477,443	450,178
	<u>1,151,813</u>	<u>118,130</u>	<u>1,269,943</u>	<u>922,224</u>
<i>Charitable activities</i>				
Floating support	-	-	-	151,799
Veterans	1,137,297	101,258	1,238,555	989,181
Supported housing and drop ins	1,318,810	137,558	1,456,368	1,754,870
Young people	1,459,099	160,697	1,619,796	1,482,674
Learning difficulties & mental health	1,912,337	253,287	2,165,624	2,003,657
	<u>5,827,543</u>	<u>652,800</u>	<u>6,480,343</u>	<u>6,382,181</u>
	<u>6,979,356</u>	<u>770,930</u>	<u>7,750,286</u>	<u>7,304,405</u>
7. Support costs			Total 2016 £	Total 2015 £
HR, health & safety, training and property			220,612	242,537
Finance and IT			234,640	294,445
General management			148,997	170,044
Payroll and financial administration			88,315	99,342
Governance			78,366	88,602
			<u>770,930</u>	<u>894,970</u>
8. Net income/(expenditure)			Total 2016 £	Total 2015 £
This is stated after charging:				
Depreciation			225,021	176,522
Auditors' remuneration:				
- audit			8,000	10,500
- non-audit			-	-
Operating lease rentals:				
- property rental			<u>1,076,707</u>	<u>959,553</u>

**Alabaré Christian Care Centres
Notes to the Financial Statements**

For the year ended 31 March 2016

9. Staff costs and numbers	2016 £	2015 £
Salaries and wages	4,191,780	3,932,982
Sessional staff (including agency)	127,112	107,223
Employer's national insurance and contributions	314,903	297,704
Employer's pension contributions	135,458	118,946
	<u>4,769,253</u>	<u>4,456,855</u>

The average number of people employed, including part-time staff calculated on a full time equivalent basis analysed by activity was:

	2016 No.	2015 No.
Homelessness	24	28
Floating support	-	8
Veterans	19	18
LD and mental health	53	44
YP	32	24
Retail	12	11
Fund raising and marketing	15	4
Support services	12	13
Governance	1	1
	<u>168</u>	<u>151</u>

One employee earned between £60,000 and £70,000 per annum during the current and previous year, and employer pension contributions of £3,803 were made in respect of the above individual's employment.

The value of services provided by volunteers is not incorporated into these financial statements but makes a significant impact on the work the charity is able to deliver. In the year to 31st March 2016 a total of 26,616 hours was volunteered in this way.

10. Trustees expenses and remuneration

Trustees are not remunerated. Travel expenses totalling £173 were paid to 1 Trustee in the year and were incurred in the course of their duties as Trustee (2015: £189 to 1 Trustee).

11. Pension

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £135,458 (2015: £118,946). Included within the pension contributions are amounts paid after the year end of £23,547 (2015: £10,526).

12. Taxation

No taxation is payable by the company because it is a registered charity and its activities are classified as exempt.

**Alabaré Christian Care Centres
Notes to the Financial Statements**

For the year ended 31 March 2016

13. Tangible fixed assets

	Freehold property £	Short leasehold property £	Equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2015	3,477,722	189,563	964,084	40,139	4,671,508
Additions	510,232	11,108	99,084	1,303	621,727
Disposals	(237,081)	-	-	-	(237,081)
At 31 March 2016	<u>3,750,873</u>	<u>200,671</u>	<u>1,063,168</u>	<u>41,442</u>	<u>5,056,154</u>
Depreciation					
At 1 April 2015	211,929	59,448	711,629	32,150	1,015,156
Charge for the year	70,892	16,369	133,997	3,763	225,021
Eliminated on disposals	(32,110)	-	-	-	(32,110)
At 31 March 2016	<u>250,711</u>	<u>75,817</u>	<u>845,626</u>	<u>35,913</u>	<u>1,208,067</u>
Net book value					
At 31 March 2016	<u>3,500,162</u>	<u>124,854</u>	<u>217,542</u>	<u>5,529</u>	<u>3,848,087</u>
At 31 March 2015	<u>3,265,793</u>	<u>130,115</u>	<u>252,455</u>	<u>7,989</u>	<u>3,656,352</u>

14. Stock

	2016 £	2015 £
Finished goods	3,944	3,944
Assets held for resale	204,971	638,742
	<u>208,915</u>	<u>642,686</u>

In 2015/16 a decision was taken to sell a property where services were no longer being delivered. It is regarded as a current asset pending a sale which is expected to be completed in the first half of the next financial year. The property has been transferred from tangible fixed assets.

15. Debtors

	2016 £	2015 £
Trade debtors	300,514	609,040
Deposits	23,649	26,754
Sundry debtors	78,445	73,804
Prepayments	48,879	20,672
	<u>451,487</u>	<u>730,270</u>

16. Investments

	2016 £	2015 £
Unlisted investments (held for short term use)	<u>9,000</u>	<u>9,000</u>

**Alabaré Christian Care Centres
Notes to the Financial Statements**

For the year ended 31 March 2016

17. Creditors: amounts due within one year	2016	2015
	£	£
Trade creditors	102,964	94,270
Tax and National Insurance	80,314	95,702
Deferred income	81,066	421,635
Other creditors	107,398	46,203
Bank loan	88,557	415,802
Accruals	215,058	368,521
	<u>675,357</u>	<u>1,442,133</u>
18. Creditors: amounts due after more than one year	2016	2015
	£	£
Bank loans	<u>1,543,349</u>	<u>1,185,320</u>
Repayable by instalments:	2016	2015
	£	£
Less than 1 year	88,557	415,802
Between 2 and 5 years	588,510	390,165
In 5 years or more	954,839	795,155
	<u>1,631,906</u>	<u>1,601,122</u>

Loan terms and security:

Triodos Bank on a 15 year term at 3% above base secured against property in Plymouth. This matures in July 2024.

RBS on a 15 year term (Amesbury) and 25 year terms in (Wiltshire) at 2.5%, above base maturing in September 2028 and December 2039/July 2040 and secured against properties in Amesbury, Salisbury, Pontypridd and Llandudno.

Lloyds on 15 year terms at 2.4% above base maturing in January 2030 and secured against property in Trowbridge, Chippenham, and Swansea.

All the loans are based on variable rate terms.

19. Operating lease commitments

As at 31 March the charity had total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Less than 1 year	923,714	931,572
Between 2 and 5 years	628,627	1,050,227
In 5 years or more	66,000	102,000
	<u>1,618,341</u>	<u>2,083,799</u>

**Alabaré Christian Care Centres
Notes to the Financial Statements**

For the year ended 31 March 2016

20. Statement of funds

	Balance at 1.04.15 £	Incoming resources £	Outgoing resources £	Transfers to/(from) £	Balance at 31.03.16 £
Restricted funds:					
Veterans	611,954	1,280,079	(627,054)	(248,408)	1,016,571
Homelessness	3,001	90,478	(88,947)	-	4,532
Young People	-	1,627	(1,627)	-	-
Learning difficulties	4,961	22,867	(16,152)	-	11,676
Income Generation	-	25,195	(25,195)	-	-
	<u>619,916</u>	<u>1,420,246</u>	<u>(758,975)</u>	<u>(248,408)</u>	<u>1,032,779</u>
Unrestricted funds:					
General - fixed assets	2,055,230	-	-	160,951	2,216,181
General - other funds	401,942	6,569,448	(6,991,311)	87,457	67,536
	<u>2,457,172</u>	<u>6,569,448</u>	<u>(6,991,311)</u>	<u>248,408</u>	<u>2,283,717</u>
	<u>3,077,088</u>	<u>7,989,694</u>	<u>(7,750,286)</u>	<u>-</u>	<u>3,316,496</u>

The transfer to/(from) restricted to unrestricted reserves follows the acquisition of the property using funds that were donated for this purpose.

21. Analysis of net assets between funds

	Fixed assets £	Net current assets £	Creditors > 1 year £	Total £
Restricted funds	-	1,032,779	-	1,032,779
Unrestricted funds:				
General - fixed assets	3,848,087	(88,557)	(1,543,349)	2,216,181
General - other funds	-	67,536	-	67,536
	<u>3,848,087</u>	<u>1,011,758</u>	<u>(1,543,349)</u>	<u>3,316,496</u>
Net assets at the end of the year	<u>3,848,087</u>	<u>1,011,758</u>	<u>(1,543,349)</u>	<u>3,316,496</u>

22. Status

The charity is limited by guarantee and has no share capital.

23. Subsidiary undertaking

Bruised Reed Trust is the only subsidiary of Alabaré Christian Care Centres. The Trustees of Alabaré Christian Care Centres are the Trustees. The company is dormant and has nil funds and its existence has now been discontinued.

24. Related party transactions

The charity was in a joint venture with Crisis Centre Ministries in respect of a charity shop in Clevedon (Changing Lives). During the year donations of £1,350 to Alabaré (2015: £23,000) were made before the financial year end. The turnover of the joint venture for the nine months to 31 March 2015 was £409k (12 months to June 2014: £390k), and a deficit was recorded of £30k (2015: Surplus of £34k) after making the donations referred to above.