

Registered number: 06461263
Charity number: 1122183

LILIAN FAITHFULL HOMES
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

LILIAN FAITHFULL HOMES
(A company limited by guarantee)

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LILIAN FAITHFULL HOMES
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Trustees

The Rev Canon D C Nye¹
Mr T P Griffin²
Mrs J Manning³
Mr R S Lyons²
Mrs J E Ballinger, Chair of Finance¹
Ms G Pyatt, Chair³
Mr G H Parry²
Mrs E Fox³
Mrs J Woodley¹
Mr Alan J B Bishop¹
Mr C J Dickenson

¹ Finance Committee

² Sites, Buildings and Facilities Committee

³ Quality Care and HR Committee

Company registered number

06461263

Charity registered number

1122183

Registered office

Ground Floor West
Festival House
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3SH

LILIAN FAITHFULL HOMES
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Administrative details (continued)

Company secretary

Richard Lyons

Chief executive officer

Mr M Hughes

Independent Auditor

Crowe Clark Whitehill LLP
Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Bankers

Lloyds TSB PLC
Cheltenham
Gloucestershire
GL50 1SH

Solicitors

Willans Solicitors
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

LILIAN FAITHFULL HOMES
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees of Lilian Faithfull Homes (LFH) present their Annual Report for the year ended 31 December 2015 in accordance with FRS 102, the Charities SORP 2015, the Companies Act 2006, the Charities Act 2011 and the Care Quality Commission (CQC). The Trustees are also approving the Strategic Report in their capacity as company directors. The company was incorporated in England and Wales and its Registration Number is 06461263 and Charity Number is 1122183.

Our Aim and Public Benefit

Our Charity's aim, as set out in the objects contained in the Charity's memorandum of association is "to relieve elderly persons in necessitous circumstances upon terms appropriate to their means, and to provide for aged persons in need thereof, accommodation and any associated amenities specifically designed or adapted to meet the disabilities and requirements of such persons".

Public Benefit

Our public benefit is to open the services of LFH to all, irrespective of their means to pay, within the limits of our budgeted funds. We cover our operational costs by charging fees and we aim to make a small surplus (2% in 2015) to fund our public benefit. We offer our families and residents a Home for Life and continuity of care irrespective of their financial circumstances.

Strategic Report

Ensuring Our Work Delivers Our Aim

We review our aim, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

2015 Strategic Objectives

Our strategic objectives for the year continued to be as follows:

- Achieving and maintaining the very best in elderly care and CQC standards in care throughout our charity.
- Investing in the fabric and infrastructure of the Homes for the benefit of our residents.
- Reviewing and benchmarking the Charity's accommodation, catering and access facilities against Care Sector standards.
- Working with Social Services and other providers of care for the elderly.
- Reviewing and developing methods of fee assistance for existing and potential residents unable to meet the fees.
- Increasing our Impact in the County and widening our support.

LILIAN FAITHFULL HOMES
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

How Our Activities Achieve Our Aim and Public Benefit

The Charity is the largest provider of Social Care for the elderly in Cheltenham and the second largest in the County of Gloucestershire; caring for more residents who have limited resources than any other provider.

The Charity stands by its commitment 'A Home for Life' as we ensure that all our residents stay with us irrespective of their financial status. Those with little or no financial resources can apply to Social Services to pay the bulk of the fees. However, the amount that Social Services will pay is likely to be less than the actual cost of staying at LFH. In the absence of help from family or other sources of support, such residents may have a shortfall in fees made up from LFH's own defined resources. The Edith Bell Memorial Fund (see below) is also available to meet appropriate expenses.

Equal access to our services is an important issue for us. We monitor access to our services by colour, race, ethnicity, religion, sex and sexual orientation and we seek regular feedback from residents and relatives.

Gloucestershire has the highest proportion of an ageing community in the UK. The over 65 age group has grown by 13.6% against the average 11% in the UK. The overall > 65 population in our County is expected to reach 644,000 by 2021, which equates to a 4% increase in residents for Gloucestershire County Council each year.

By 2015 there will be 857,000 people with dementia, and 1 million by 2025. Two thirds of dementia sufferers are women and 1 in 6 people over 80 have dementia. Over the next 12 years the diagnoses of dementia will increase by 40%.

However, the impact of our work goes far beyond those we help directly and includes reducing the distress suffered by families and friends caring for elderly people. Our active liaison with local community groups and with the Social Services has helped significantly in reducing those concerns and has created better local understanding of our work.

The main areas of charitable activity is the provision of the very best in elderly care irrespective of financial circumstances in a safe, friendly and supportive environment in our residential homes and nursing home, meeting individual needs, particularly in the onset of dementia.

Risk Management

The Trustees have conducted a review of the major risks to which the Charity is exposed to. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. Significant external risks to funding have led to the development of a strategic plan for 2016, which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors. The continuing implementation of the Care Quality Commission and Local Authority Standards ensure a consistent quality of delivery for all operational aspects of the Charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity. The major risks to which the Charity is exposed are as follows:

Charity lacks direction. To mitigate this risk the Charity ensures the Strategy Development Committee meets at least once a Quarter alongside twice yearly Strategy Away Days.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Disaster Recovery & Planning: Annually the CE, with the SMT, reviews and updates the Business Continuity Plan for completeness and forwards this to the Board for review.

Dependency on Income sources: The Charity ensures it has an open relationship with Local Government and has set-aside specific designated reserves should there be a change in Policy that affects income.

IT: The Charity meets annually with its chosen IT Provider to discuss contingency plans, security and robustness of its systems, including cyber-risk and data recovery.

Financial Review

Occupancy for the Group was 94.7% (2014:94.6%), which was slightly over budget of 94%. Fee income for the year was £7.475million (2014:£7.523million), although we did increase fees marginally in the year, our aim is to keep fees well below the average market rate.

In line with our plans we undertook significant refurbishment at two of our homes and improved the fabric of the buildings generally (Capital Expenditure totalled £1.3million) which naturally resulted in lower income during these works. This stands the Charity in good stead for 2016 as we have completed all major Capital projects.

Charitable activities increased to £7.459million (2014:£7.271million), and increase on the prior year, mostly due to the annual pay award of 2.5% for all staff.

Support Costs remained at 6% of income as we continue to ensure we operate the Charity in the most efficient way possible, utilising as much of our resources as possible to deliver care.

Financial assistance to residents increased to £883,185 (2014:£766,655) as planned and in line with our strategy to help more and more residents each year.

During the year the Charity restructured its core SMT and operation to give it the solid platform to grow and achieve its five year plan, therefore Net Surplus was £123,141 after one-off costs and £224,602 before these costs. In 2014 the equivalent surplus was £334,278 and in 2013 £300,626 showing the underlying stability of the Charity's operations.

Against the backdrop of limited resources, it has continued to be challenging to plan or develop services. Nevertheless the charity, with the aid of sound financial management and the support of our staff generated a very positive financial outcome for the period.

Principal Funding Sources

The Charity's principal sources of funding are from residents; self-funding, those paying a proportion of their care as deemed by the Local Authority, fully funded Local Authority or Clinical Commissioning Group residents. The Charity received donations and other contributions to costs from various benevolent organisations such as the RAF Benevolent Fund, Civil Service Benevolent Fund and the Royal Agricultural Benevolent Fund.

LILIAN FAITHFULL HOMES
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Investment Policy

During the year the Charity adopted a new Investment Policy, with the assistance of a specialist advisor and fund manager. The Finance Committee and Board agreed to invest funds during 2016 with Thesis Asset Management with the primary objective to preserve capital and generate prudent capital growth. The income from these investments will be used to facilitate future plans and strategies of the Charity.

Reserves Policy

Total reserves at 31 December 2015 were £7,220,432 (2014: £7,097,291), of which £30,000 (2014: £Nil) was Restricted, £1,660,250 (2014: £2,025,580) was Designated and £7,190,432 (2014: £7,097,291) was Unrestricted.

During the year the Trustees continued with the policy of designating unrestricted funds for specific use without restricting or committing the funds legally. These funds as stated in note 19 to the financial statements are for varying uses, all of which have a purpose and timeline for expense.

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation.

It has established a policy whereby the unrestricted funds not assigned to tangible fixed assets held by the charity ('Free Reserves' and 'Designated Funds') should be at least three months full running costs of the Charity. The reserves are needed to meet the working capital requirements of the charity and the Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The current level of Free Reserves and Designated Funds is £2,280,501 (see note 19) (2014: £3,156,063), and therefore currently in line with the established policy.

Regular updates and monitoring of these reserves is carried out to ensure that a surplus is achieved and cash flow is adequate for the needs of the Charity. Any amount over this is expected to be utilised principally to fund the further development of properties or provide additional services related to the provision of care to our residents.

Dormant Subsidiary

The Charity has an interest in its wholly owned dormant subsidiary Lilian Faithfull Trading Limited.

Custodian Trustees for Edith Bell Memorial Fund

LFH Trustees supervise the income and capital of the Edith Bell Memorial Fund, which exists "for the general purpose of the relief of aged, impotent and poor persons (in particular) for the provisions of moneys for application in payment of Lilian Faithfull Homes' charges." As at 31 December 2015 assets of this designated fund comprised £28,161 cash (£28,502 in 2014) and £29,419 shares (£31,994 in 2014). Fund assets are held in a separate bank account designated "Lilian Faithfull Homes – Edith Bell Memorial Fund" or invested in appropriate securities or investments as a continuing memorial to Edith Bell.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Plans are also being developed for the following:

Increasing Care Provision

- Increasing demand for a safe, friendly and supportive environment for elderly people in our residential homes and nursing home.

Outreach

- Expand our MAST (Memory Awareness Support Team) services in the local area.
- Reopen a day-care centre in 2016.
- Open a Dementia Café.

Training Facilities

- Provision of the very best in the training standard for new carers.
- Become a registered training provider.
- Provide a dedicated training establishment.

To achieve these goals the Charity has implemented a number of changes within the Management Structure which has been re-organised so that it could absorb any additional capacity within the Homes/Outreach/Training facilities. Along with this is the continued knowledge that the Charity has a strong financial base to allow future plans to progress.

Structure, Governance and Management

Governing Document

The organisation was incorporated as a Private Limited Company under the Companies Act 1985 on 31 December 2007. The Company was also registered as a charity on 31 December 2007. The company is governed by its Memorandum and Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Organisational Structure

The Board of Trustees appoint a Chief Executive to manage the operational aspects of the Charity and they are supported by a Senior Management Team with key responsibilities. A Director of Care, Head of Finance and Head of HR – these roles are further supported by the following Committees, made up of trustees:

- Finance Committee. The purpose of this Committee is to take delegated responsibility on behalf of the Board for overseeing all financial aspects of the Charity in order to ensure short and long term viability.
- Strategy and Development Committee. The purpose of this Committee is to take delegated responsibility on behalf of the Board for overseeing all aspects of Strategic Planning and Development and report back to the Board. Development includes ideas and suggestions for things other than building, for example, projects, innovations and commercial ventures.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

- Quality, Care and HR Committee. The purpose of this Committee is to; review all external statutory reports, receive and consider all Nominated Individual Reports and report to the Board. Monitor complaints and comments and receive regular reports on this.
- Remuneration Committee. The purpose of this Committee is to monitor the pay scales of all employees, but also benchmark the remuneration of the Senior Management Team.

Salaries and Benchmarks

The Charity reviews its care operation salaries and Senior Management Team against industry standards and independent care focus groups such as the National Care Forum.

Recruitment and Appointment of Directors

The directors of the company are also Trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the Trustees are elected to serve for a period of three years, up to a maximum of nine years save for the Chair who can serve for an additional three years. The longest serving Trustees are required to retire in rotation at the AGM and can put themselves for re-election if they wish.

Trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

Mrs E Fox, Mrs J Woodley and Mr G Parry retired by rotation at the AGM on 17 June 2015 and were immediately re-appointed at their request.

Due to the nature of elderly care much of the Charity's work inevitably focuses upon the elderly. Trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the Board of Trustees.

The more traditional business and Care Sector skills are well represented on the Board of Trustees. In an effort to maintain this broad skill mix, members of the Board are requested to provide a list of their skills (and update it each year) and in the event of particular skills being lost due to retirements, suitable replacements are sought by placing advertisements in the local press.

Trustee Induction and Training

New Trustees undergo an orientation day where they tour the Homes, meet key employees and are introduced to the other Trustees. Trustees receive a copy of the Trustee Information Pack, which includes a copy of the Memorandum and Articles of Association, Committee Terms of Reference, the Business Plan, recent financial performance reports and a copy of CC3 – The Essential Trustee.

Trustee Benefits

All Trustees give of their time freely and no remuneration was paid in the year. No Trustee or person connected with a Trustee received any benefits.

LILIAN FAITHFULL HOMES
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Governance

A Governance Manual is maintained by the Charity with advice from its retained solicitors. The Manual also provides the framework for general management policies, financial policies and Terms of Reference for the Board and its Committees.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Lilian Faithfull Homes for the purposes of company law) are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company, enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

The Trustees at the time when this Trustee's report is approved have confirmed that:

- So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- That Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' report comprising the Strategic Report and other information, was approved by the Trustees on *25 May 2016* and signed on their behalf by:

Ms G Pyatt
Trustee



LILIAN FAITHFULL HOMES
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LILIAN FAITHFULL HOMES

We have audited the financial statements of Lilian Faithfull Homes for the year ended 31 December 2015 set out on pages 12 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 members those matters we are required to state in an Auditor's 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity 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 for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

LILIAN FAITHFULL HOMES
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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.

Guy Biggin
(Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 7 June 2016

LILIAN FAITHFULL HOMES
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOME:					
Donations and legacies	2	38,001	40,000	78,001	312,178
<i>Income from charitable activities:</i>					
Provision of care	3	7,475,162	-	7,475,162	7,523,640
Investment income	4	16,479	-	16,479	27,262
Other income	5	15,369	-	15,369	15,306
TOTAL INCOME		7,545,011	40,000	7,585,011	7,878,386
EXPENDITURE:					
<i>Expenditure on charitable activities:</i>					
Provision of care	7	7,449,294	10,000	7,459,294	7,271,547
TOTAL EXPENDITURE	8	7,449,294	10,000	7,459,294	7,271,547
Net losses on investments	13	(2,576)	-	(2,576)	(2,788)
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR		93,141	30,000	123,141	604,051
Reconciliation of funds					
Total funds at 1 January 2015		7,097,291	-	7,097,291	6,493,240
TOTAL FUNDS AT 31 DECEMBER 2015	19	7,190,432	30,000	7,220,432	7,097,291

All income and expenditure derive from continuing operations.

The notes on pages 15 to 29 form part of these financial statements.

LILIAN FAITHFULL HOMES
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BALANCE SHEET
AS AT 31 DECEMBER 2015
COMPANY NUMBER 06461263

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	12		4,909,931		3,941,228
Investments	13		<u>1,329,518</u>		<u>2,887,094</u>
			6,239,449		6,828,322
CURRENT ASSETS					
Debtors	14	313,635		488,514	
Cash at bank			<u>1,399,369</u>	<u>429,180</u>	
			1,713,004	917,694	
LIABILITIES					
Creditors falling due within one year	15	<u>(732,021)</u>		<u>(648,725)</u>	
NET CURRENT ASSETS			<u>980,983</u>		<u>268,969</u>
NET ASSETS			<u>7,220,432</u>		<u>7,097,291</u>
CHARITY FUNDS					
Unrestricted funds	19		7,190,432		7,097,291
Restricted funds	19		<u>30,000</u>		-
TOTAL FUNDS			<u>7,220,432</u>		<u>7,097,291</u>

The financial statements were approved by the Trustees on *25 May 2016* and signed on their behalf, by:

Ms G Pyatt
Trustee



The notes on pages 15 to 29 form part of these financial statements.

LILIAN FAITHFULL HOMES
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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Cash used in operating activities	21	664,049	473,627
Cash flows from investing activities			
Interest income		16,479	27,262
Purchase of tangible assets		(1,270,089)	(535,737)
Proceeds from sale of tangible assets		4,750	6,700
Purchase of investments		(1,300,000)	(2,855,000)
Proceeds from investments		<u>2,855,000</u>	<u>-</u>
Net cash provided by (used in) investing activities		306,140	(3,356,775)
Increase/(Decrease) in cash in the year		<u>970,189</u>	<u>(2,883,148)</u>
Cash as at 1 January 2015		429,180	3,312,328
Total cash at 31 December 2015		<u>1,399,369</u>	<u>429,180</u>

The notes on pages 15 to 29 form part of these financial statements.

LILIAN FAITHFULL HOMES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under historical cost convention with the exception of investments which are included at market value.

Lilian Faithfull Homes meets the definition of a public benefit entity under FRS 102.

This is the first year in which the financial statements have been prepared under FRS 102 and the Charities SORP 2015. Refer to note 24 for an explanation of the transition.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £Nil per member of the Charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

LILIAN FAITHFULL HOMES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are donations or legacies received which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects undertaken. The specific restrictions on each fund is set out in the notes to the financial statements.

1.4 Income

Income from donations, fundraising and legacies are accounted for on a receipts basis unless the income will be received and its value can be measured with sufficient reliability. Those funds provided for a specific purpose are taken to a restricted fund. Gifts in kind for use by the charity are recognised as income and expenditure when receivable at a reasonable estimate of their value.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of a probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material to the Charity.

Investment income is recognised on a receivable basis. Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

1.5 Expenditure

Expenditure is accounted for as charitable activities (being the provision of care) or governance costs. Within provision of care, costs are allocated between direct provision of care costs and support costs. The irrecoverable element of Value Added Tax is included with the item of expense to which it relates. Depreciation is allocated to expenditure headings on the basis of the use of the assets concerned.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include costs of trustee meetings and the cost of any legal advice to the trustees on governance or constitutional matters.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage.

LILIAN FAITHFULL HOMES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.6 Going concern

The Charity has no external financing and meets its day to day working capital requirements with retained profits. The Trustees expect the charity to continue trading for the foreseeable future. Accordingly, the Trustees believe it to be appropriate to prepare the financial statements on a going concern basis.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	Nil
Freehold building	-	2% of cost
Motor vehicles	-	20% of cost
Furniture & Equipment	-	20% - 50% of cost

1.8 Investments

Fixed asset investments are included at market value at the balance sheet date.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Unlisted investments are shown at cost unless there is a permanent diminution in value.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

1.10 Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.11 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, these being cash at bank, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LILIAN FAITHFULL HOMES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.12 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.14 Redundancy costs

Redundancy costs arising from periodic reviews of staff levels are charged to the Statement of financial activities in the year in which the Charity is demonstrably committed to the employees leaving the charity.

1.15 Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. There are no items in the financial statements where significant judgements and estimations have been made.

2. DONATIONS AND LEGACIES

	Restricted £	Unrestricted £	Total funds 2015 £	Total funds 2014 £
Donations and gifts	10,000	14,525	24,525	24,774
Legacies	<u>30,000</u>	<u>23,476</u>	<u>53,476</u>	<u>287,404</u>
	<u>40,000</u>	<u>38,001</u>	<u>78,001</u>	<u>312,178</u>

3. INCOME FROM CHARITABLE ACTIVITIES: PROVISION OF CARE

	Total funds 2015 £	Total funds 2014 £
Residents' fees	7,467,124	7,515,658
Contributions to running costs	<u>8,038</u>	<u>7,982</u>
	<u>7,475,162</u>	<u>7,523,640</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

4. INVESTMENT INCOME

	Total funds 2015 £	<i>Total funds 2014 £</i>
Interest receivable	14,847	25,660
Investment income	<u>1,632</u>	<u>1,602</u>
	<u>16,479</u>	<u>27,262</u>

5. OTHER INCOME

	Total funds 2015 £	<i>Total funds 2014 £</i>
Other income	13,931	11,553
Surplus on sale of tangible fixed assets	<u>1,438</u>	<u>3,753</u>
	<u>15,369</u>	<u>15,306</u>

6. CHARITABLE ACTIVITIES: PROVISION OF CARE

	Direct costs £	Support costs £	Total 2015 £	<i>Total 2014 £</i>
Contract catering	1,259,380	-	1,259,380	1,190,812
Establishment costs	301,471	-	301,471	279,142
Repairs and maintenance	464,320	-	464,320	610,153
Office expenses	146,352	-	146,352	109,341
Printing, postage and stationery	-	29,645	29,645	36,932
Subscriptions and donations	8,358	-	8,358	8,978
Equipment hire	4,977	-	4,977	16,266
Sundry and other costs	80,718	-	80,718	57,946
Cleaning	163,923	-	163,923	142,049
Motor expenses	9,676	-	9,676	11,389
Legal and professional costs	-	54,562	54,562	71,390
Bank charges	-	-	-	685
Other employment costs	301,279	-	301,279	285,369
Wages and salaries	3,663,223	331,393	3,994,616	3,857,158
National insurance	289,275	-	289,275	277,766
Pension cost	23,003	-	23,003	30,830
Depreciation	234,526	63,548	298,074	252,177
Governance costs	-	<u>29,665</u>	<u>29,665</u>	<u>33,164</u>
	<u>6,950,481</u>	<u>508,813</u>	<u>7,459,294</u>	<u>7,271,547</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. GOVERNANCE COSTS

	Total funds 2015 £	<i>Total funds 2014 £</i>
Auditors' remuneration	15,600	15,300
Other Governance costs	1,571	204
Staff costs	<u>12,494</u>	<u>17,660</u>
	<u>29,665</u>	<u>33,164</u>

8. CHARITABLE EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	2015 £	<i>2014 £</i>
Care costs	3,030,114	-	301,279	3,331,393	3,091,538
Welfare	685,112	-	1,673,384	2,358,496	2,316,289
Premises	260,275	234,526	765,791	1,260,592	1,348,669
Support costs	<u>343,887</u>	<u>63,548</u>	<u>101,378</u>	<u>508,813</u>	<u>515,051</u>
Total	<u>4,319,388</u>	<u>298,074</u>	<u>2,841,832</u>	<u>7,459,294</u>	<u>7,271,547</u>

9. TAXATION

The company is a registered charity and is therefore, entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging/(crediting):

	2015 £	<i>2014 £</i>
Depreciation of tangible fixed assets: - owned by the charity	298,074	<i>252,177</i>
Auditor's remuneration	13,325	<i>13,000</i>
Hire of plant & machinery	4,977	<i>16,266</i>
Surplus on disposal of tangible fixed assets	<u>(1,438)</u>	<u><i>(3,753)</i></u>

During the year, no Trustees received any remuneration (2014 - None).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. NET INCOME/(EXPENDITURE) FOR THE YEAR (continued)

One Trustee received reimbursement of expenses for travel and stationary costs, along with the reimbursement of costs for Trustee meetings amounting to £699 in the current year, (2014 - Two Trustees - £36).

11. ANALYSIS OF STAFF COSTS, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,007,110	3,874,818
Social security costs	289,275	277,766
Other pension costs	<u>23,003</u>	<u>30,830</u>
	<u>4,319,388</u>	<u>4,183,414</u>

Included within other employment costs are redundancy costs totaling £95,221 (2014 - £14,779) for employees that left the Charity.

The average monthly head count was 269 employees (2014 – 260) and the average full time equivalent number of employees during the year was as follows:

	2015	2014
Direct charitable	182	176
Administration	<u>16</u>	<u>14</u>
	<u>198</u>	<u>190</u>

The number of higher paid employees was:

	2015	2014
In the band £70,001 - £80,000	1	1
Defined contribution pension contributions	-	£18,000

The senior management team of the charity are the Chief Executive Office, the Director of Care, Head of Human Resources and the Head of Finance. The remuneration for this team totals £223,747 (2014 – £382,663).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles £	Furniture & Equipment £	Total £
Cost				
<i>At 1 January 2015</i>	3,395,085	141,208	2,190,081	5,726,374
Additions	956,605	8,149	305,335	1,270,089
Disposals	<u>-</u>	<u>(13,250)</u>	<u>-</u>	<u>(13,250)</u>
At 31 December 2015	<u>4,351,690</u>	<u>136,107</u>	<u>2,495,416</u>	<u>6,983,213</u>
Depreciation				
<i>At 1 January 2015</i>	148,769	41,950	1,594,427	1,785,146
Charge for the year	26,078	26,587	245,409	298,074
On disposals	<u>-</u>	<u>(9,938)</u>	<u>-</u>	<u>(9,938)</u>
At 31 December 2015	<u>174,847</u>	<u>58,599</u>	<u>1,839,836</u>	<u>2,073,282</u>
Net book value				
At 31 December 2015	<u>4,176,844</u>	<u>77,510</u>	<u>655,578</u>	<u>4,909,931</u>
<i>At 31 December 2014</i>	<u>3,246,316</u>	<u>99,258</u>	<u>595,654</u>	<u>3,941,228</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. FIXED ASSET INVESTMENTS

	Listed securities £	Cash at bank £	Shares in group undertakings £	Total £	2014 Total £
Market value					
<i>At 1 January 2015</i>	<i>31,994</i>	<i>2,855,000</i>	<i>100</i>	<i>2,886,994</i>	<i>34,782</i>
Transfers in	-	1,300,000	-	1,300,000	2,855,000
Transfers out	-	(2,855,000)	-	(2,855,000)	-
Revaluations	<u>(2,576)</u>	-	-	<u>(2,576)</u>	<u>(2,788)</u>
At 31 December 2015	<u>29,418</u>	<u>1,300,000</u>	<u>100</u>	<u>1,329,418</u>	<u>2,886,994</u>
Historical cost	<u>19,952</u>	-	<u>100</u>	<u>19,952</u>	<u>19,952</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding
Lilian Faithfull Trading Limited (Ordinary Shares of £1 each)	100%

Lilian Faithful Trading Limited did not trade during the current or preceding financial year and therefore made neither profit or loss. As at 31 December 2015, the entity had total Shareholders' Funds of £1,029.

LILIAN FAITHFULL HOMES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

14. DEBTORS

	2015 £	2014 £
Trade debtors	224,730	255,877
Other debtors	27,266	199,601
Prepayments and accrued income	<u>61,639</u>	<u>33,036</u>
	<u>313,635</u>	<u>488,514</u>

15. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	174,311	126,367
Other taxation and social security	184,345	153,114
Wages & salaries	312,267	268,912
Other creditors	9,870	47,271
Accruals	<u>51,228</u>	<u>53,061</u>
	<u>732,021</u>	<u>648,725</u>

16. CAPITAL COMMITMENTS

At 31 December 2015 the Charity had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>40,373</u>	<u>-</u>

LILIAN FAITHFULL HOMES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

17. OPERATING LEASE COMMITMENTS

At 31 December 2015 the Charity had total commitments under non-cancellable operating leases as follows:

	2015		2014	
	Land and buildings £	Plant and machinery £	Land and buildings £	Plant and machinery £
Within 1 year	-	1,727	-	5,540
Between 2 and 5 years	-	83,963	-	18,069
After more than 5 years	<u>269,964</u>	<u>44,652</u>	-	<u>146,858</u>
Total	<u>269,964</u>	<u>130,342</u>	-	<u>170,467</u>

18. PENSION SCHEME

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £23,003 (2014 - £30,830).

At the end of the year outstanding contributions amounted to £5,008 (2014 - £4,387), as included within other creditors in these financial statements.

LILIAN FAITHFULL HOMES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

19. STATEMENT OF FUNDS

	<i>Brought Forward</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Edith Bell Fund	60,496	-	-	-	(2,576)	57,920
Dowty House Capital Fund	500,000	-	(500,000)	250,000	-	250,000
Emergency Maintenance Fund	750,000	-	-	-	-	750,000
Assisted Places Fund	500,000	-	-	100,000	-	600,000
Staff Fund	2,003	-	(6,726)	4,723	-	-
Residents Fund	1,783	-	(5,367)	5,914	-	2,330
The Late Mr Crump	<u>211,298</u>	-	<u>(211,298)</u>	-	-	-
	<u>2,025,580</u>	-	<u>(723,391)</u>	<u>360,637</u>	<u>(2,576)</u>	<u>1,660,250</u>
General funds						
General Funds - Free Reserves	1,130,483	7,545,011	(6,437,767)	(1,617,476)	-	620,251
Tangible Fixed Assets	<u>3,941,228</u>	-	<u>(288,136)</u>	<u>1,256,839</u>	-	<u>4,909,931</u>
	<u>5,071,711</u>	<u>7,545,011</u>	<u>(6,725,903)</u>	<u>(360,637)</u>	-	<u>5,530,182</u>
Total Unrestricted funds	<u>7,097,291</u>	<u>7,545,011</u>	<u>(7,449,294)</u>	-	<u>(2,576)</u>	<u>7,190,432</u>
Restricted funds						
The Late Ms Allinson Fund	-	30,000	-	-	-	30,000
Baron Davenport Trust	-	10,000	(10,000)	-	-	-
Total Restricted funds	-	<u>40,000</u>	<u>(10,000)</u>	-	-	<u>30,000</u>
TOTAL FUNDS	<u>7,097,291</u>	<u>7,585,011</u>	<u>(7,459,294)</u>	-	<u>(2,576)</u>	<u>7,220,432</u>

DESIGNATED FUNDS

Edith Bell Fund

The Edith Bell Fund is used to purchase equipment for the enjoyment of residents of Lilian Faithfull Homes.

Dowty House Capital Fund

The Charity purchased Dowty House in October 2012. There are plans to develop Dowty House to bring it up to the level of the Charity's other homes. In 2016 we have budgeted to spend £250,000 refurbishing rooms, bathrooms and other communal areas around the home.

Emergency Maintenance Fund

This fund has been set up to fund required maintenance of the LFH Estate.

LILIAN FAITHFULL HOMES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

19. STATEMENT OF FUNDS (CONTINUED)

Assisted Places Fund

This fund has been set-up to allow the Charity to help existing residents once they no longer afford to privately fund their place at the home. It is envisaged that this fund will primarily be used fund residents where there is a legislation change around funding and we will need to support them financially.

Staff Fund

This fund is made up of donations from relatives of residents who have given money as a thank you to the staff of Lilian Faithfull Homes.

Residents Fund

This fund is made up of donations from relatives of residents who have given money to assist residents during their time at Lilian Faithfull Homes.

The Late Mr Crump Fund

This fund is made up of an unrestricted legacy received in 2014. The funds were designated so that they could be used for specific projects to benefit the residents at all the Homes. The legacy was spent on a new, purpose built mini-bus for the use of all residents, as well as appropriate products to generate further income for the use of all residents across the homes.

RESTRICTED FUNDS

The Late Ms Allinson Fund

Ms Allinson was a long-standing resident of Astell House and specifically in her will she wished for these funds to benefit the residents at that home. It is envisaged we will use this legacy to refurbish the main dining room and improve the garden facilities in 2016.

The Baron Davenport Trust

As part of our fundraising program in 2015, we approached the Davenport Trust for assistance with the refurbishment project at Dowty House. The Trust kindly donated £10,000 towards these costs which we used to purchase all the furniture and beds for the newly created rooms at Dowty House.

FUND TRANSFERS

Dowty Home Capital Fund

A transfer of £250,000 has been made from unrestricted funds to the Dowty Home Capital Fund to reflect the changes in place for this home.

Assisted Places Fund

A transfer of £100,000 has been made from unrestricted funds to Assisted Places Fund to provide funds for residents.

Staff and residents Funds

A transfer of £4,723 and £5,914 respectively were made from unrestricted funds to reflect the movements on these funds during the year.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

SUMMARY OF FUNDS

	<i>Brought Forward</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	2,025,580	-	(723,391)	360,637	(2,576)	1,660,250
General funds	5,071,711	7,545,011	(6,725,903)	(360,637)	-	5,530,182
Restricted funds	<u>-</u>	<u>40,000</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
	<u>7,097,291</u>	<u>7,585,011</u>	<u>(7,459,294)</u>	<u>-</u>	<u>(2,576)</u>	<u>7,220,432</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	(Restated) Total funds 2014 £
Tangible fixed assets	4,909,931	-	4,909,931	3,941,228
Fixed asset investments	1,329,518	-	1,329,518	2,887,094
Current assets	1,683,004	30,000	1,713,004	917,694
Creditors due within one year	<u>(732,021)</u>	<u>-</u>	<u>(732,021)</u>	<u>(648,725)</u>
	<u>7,190,432</u>	<u>30,000</u>	<u>7,220,432</u>	<u>7,097,291</u>

The 2014 totals have been restated to show the investments held as part of fixed assets.

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net movement in funds	123,141	604,051
Interest income	(16,479)	(27,262)
Surplus on disposal of fixed assets	(1,438)	(3,753)
Loss on investments	2,576	2,788
Depreciation of tangible fixed assets	298,074	252,177
Decrease/(Increase) in debtors	174,879	(323,894)
Increase/(Decrease) in creditors	<u>83,296</u>	<u>(30,480)</u>
Cash used in operating activities	<u>664,049</u>	<u>473,627</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2015 £	Cash flow £	Other non-cash changes £	31 December 2015 £
Cash at bank and in hand:	<u>429,180</u>	<u>970,189</u>	-	<u>1,399,369</u>
Net funds	<u>429,180</u>	<u>970,189</u>	-	<u>1,399,369</u>

23. RELATED PARTY TRANSACTIONS

At 31 December 2015 the charitable company owed £864 (2014: £864) to Lilian Faithfull Trading Limited, its subsidiary undertaking. The loan is interest free and has no fixed repayment terms.

During the year Lilian Faithfull Homes purchased goods totalling £nil (2014 - £15,272) from Mr N O'Reilly, a member of their Senior Management Team. £nil was outstanding at year end (2014 - £nil).

During the year Lilian Faithfull Homes purchased goods totalling £nil (2014 - £994) from Sunnybow Designs, a company owned by the wife of Mr N O'Reilly, a member of their Senior Management Team. £nil was outstanding at year end (2014 - £nil).

24. TRANSITION TO FRS 102 AND THE CHARITIES SORP 2015

This is the first year that the Charity has presented its results under FRS 102 and the Charities SORP 2015. The last financial statements under UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 and the Charities SORP 2015 was 1 January 2015. The surplus for the year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 has not changed as a result of changes in accounting policies due to the transition from UK GAAP to FRS 102 and the Charities SORP 2015.