

**REGISTERED CHARITY NUMBER: 1036524**

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

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

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for the Year Ended 31 December 2015**

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**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**TRUSTEES**

Sr M Ononlwu  
Sr M Amaechi  
Sr B Onwuzuruigbo  
Sr M Nzeribe  
Sr M Okite

**PRINCIPAL ADDRESS**

33 Bisterne Avenue  
Walthamstow  
London  
E17 3QR

**REGISTERED CHARITY NUMBER**

1036524

**INDEPENDENT EXAMINER**

Darren Harding ACA FCCA DChA  
Richard Place Dobson Services Limited  
Chartered Accountants  
1 - 7 Station Road  
Crawley  
West Sussex  
RH10 1HT

**SOLICITORS**

Pothercary Witham Weld  
70 St George's Square  
London  
SW1V 3RD

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**TRUSTEES' REPORT**

**for the Year Ended 31 December 2015**

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The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard for Smaller Entities (effective January 2015), the Charities Act 2011 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The accounts (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 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective 1 April 2005 which has since been withdrawn.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The main object of the charity is to promote the charitable work carried on or supported by the Trustees of the Congregation of the Daughters of Mary, Mother of Mercy.

**Public benefit**

The charity's trustees have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

**Charity background**

Daughters of Mary, Mother of Mercy sisters in England work in hospitals and nursing homes to provide nursing care and support. They also have sisters working in local parishes, co-ordinating their activities of pastoral work including adorations of the blessed sacrament, visiting and administering Eucharist to the lonely, sick, aged and bereaved.

There are 7 communities in England:

- 1, Edgware (Diocese of Westminster)
- 2, Walthamstow (Diocese of Brentwood)
- 3, Liverpool (Archdiocese of Liverpool)
- 4, Bradford (Diocese of Leeds)
- 5, St Mary Convent Batley (Diocese of Leeds)
- 6, Forest Gate (Diocese of Brentwood)
- 7, Slough (Diocese of Northampton).

**THE CONGREGATION OF THE DAUGHTERS OF  
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**TRUSTEES' REPORT  
for the Year Ended 31 December 2015**

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

Waverley care home was purchased in April 2007 and is a twenty bed care home. The home provides nursing and residential care.

The home is spread over four floors and consists of:

**Basement**

In the basement there is a dining room with an area which is used for watching TV by some of the clients. The kitchen, laundry, Staff room and main office are based in the basement. There is also access to three toilets: one for kitchen staff, one for general staff and one for clients.

**Ground floor**

On the ground floor there are three bedrooms, a sluice, a bathroom with a toilet, a separate toilet, the main lounge and a small nurse's station. Two of the bedrooms on this floor are double room's with one en-suite.

**First floor**

On the first floor there are seven bedrooms, one of these is a large double room. There is a shower room, toilet and sluice room.

**Second floor**

There are seven bedrooms, one bathroom with a toilet, a sluice room and a separate toilet.

There is a passenger lift which accesses all of the floors in the building.

**Staff and training**

A trained nurse is on duty 24 hours a day with three care assistants in the morning, two in the afternoon and one at night. Staffing levels are monitored to ensure that appropriate numbers of staff are available for clients in our care. We have not used agency staff in the last 12 months.

Our manager is a trained nurse and has commenced a level 4 NVQ in leadership and Management. We have a registered general/mental nurse who is responsible for overseeing any mental health issues across clients at Waverley.

Three of our other nurses are dual registered general nurse/midwife. Our part time nurse is a state enrolled nurse who works two nights a week. All of our trained staff attend various training courses and updates regarding best practice across various areas within the home. We employ a full time activities co-ordinator who works 6 hours a day 5 days a week.

**FINANCIAL REVIEW**

**Financial position**

The net incoming resources of the charity was £67,288 (2014 - £81,042).

**Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between approximately three and six month's expenditure. The trustees consider that reserves at this level are sufficient to cover it's working capital requirements. This reserve policy reflects the need to balance risk against the objectives of the charity.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust dated 13/12/1993 as amended by supplemental deed dated 28/09/2010, and constitutes an unincorporated charity.

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**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**TRUSTEES' REPORT  
for the Year Ended 31 December 2015**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

The power to appoint and remove trustees rests with the Sister Superior.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**The trustees who served during the year were:**

Sr M Ononlwu  
Sr M Amaechi  
Sr B Onwuzuruigbo  
Sr M Nzeribe  
Sr M Okite

Approved by order of the board of trustees on ..... *31/12/2016* ..... and signed on its behalf by:



.....  
Sr M Okite - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

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I report on the accounts for the year ended 31 December 2015 set out on pages six to thirteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

Your attention is to be drawn to the fact that the charity has prepared the accounts (financial statements) 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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2015 which is referred to in extant regulations but has since been withdrawn.

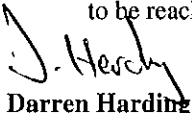
We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

  
**Darren Harding ACA FCCA DChA**  
Richard Place Dobson Services Limited  
Chartered Accountants  
1 - 7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Date: .....31/01/17.....

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31 December 2015**

		Unrestricted fund £	Designated fund £	31.12.15 Total funds £	31.12.14 Total funds £
Notes					
<b>INCOME FROM</b>					
<b>Charitable activities</b>					
		497,706	-	497,706	468,976
		<u>286,008</u>	<u>-</u>	<u>286,008</u>	<u>366,651</u>
<b>Total</b>		<b>783,714</b>	<b>-</b>	<b>783,714</b>	<b>835,627</b>
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
		416,364	10,644	427,008	403,576
		<u>285,919</u>	<u>3,499</u>	<u>289,418</u>	<u>351,009</u>
<b>Total</b>		<b>702,283</b>	<b>14,143</b>	<b>716,426</b>	<b>754,585</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>81,431</b>	<b>(14,143)</b>	<b>67,288</b>	<b>81,042</b>
<b>Transfers between funds</b>	12	<u>(204,973)</u>	<u>204,973</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>(123,542)</b>	<b>190,830</b>	<b>67,288</b>	<b>81,042</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>315,715</b>	<b>471,532</b>	<b>787,247</b>	<b>706,205</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>192,173</u></b>	<b><u>662,362</u></b>	<b><u>854,535</u></b>	<b><u>787,247</u></b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements




**THE CONGREGATION OF THE DAUGHTERS OF  
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**BALANCE SHEET  
At 31 December 2015**

				31.12.15	31.12.14
		Unrestricted	Designated	Total funds	Total funds
	Notes	fund	fund		
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7	27,012	969,931	996,943	1,015,809
<b>CURRENT ASSETS</b>					
Debtors	8	3,989	-	3,989	1,589
Cash at bank		<u>188,735</u>	<u>-</u>	<u>188,735</u>	<u>171,510</u>
		192,724	-	192,724	173,099
<b>CREDITORS</b>					
Amounts falling due within one year	9	(27,563)	(55,710)	(83,273)	(92,090)
<b>NET CURRENT ASSETS</b>		<u>165,161</u>	<u>(55,710)</u>	<u>109,451</u>	<u>81,009</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		192,173	914,221	1,106,394	1,096,818
<b>CREDITORS</b>					
Amounts falling due after more than one year	10	-	(251,859)	(251,859)	(309,571)
<b>NET ASSETS</b>		<u>192,173</u>	<u>662,362</u>	<u>854,535</u>	<u>787,247</u>
<b>FUNDS</b>	12				
Unrestricted funds:					
General fund				192,173	315,715
Designated fund				<u>662,362</u>	<u>471,532</u>
				<u>854,535</u>	<u>787,247</u>
<b>TOTAL FUNDS</b>				<u>854,535</u>	<u>787,247</u>

The financial statements were approved by the Board of Trustees on .....31/12/16..... and were signed on its behalf by:



Sr M Okite -Trustee

The notes form part of these financial statements

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
BRITISH ISLES**

**Notes to the Financial Statements  
for the Year Ended 31 December 2015**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard for Smaller Entities (effective January 2015), the Charities Act 2011 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**Financial reporting standard 102 - reduced disclosure exemptions**

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**

Donations and similar incoming resources are included in the year in which they are receivable which is when the charity is entitled to the resource.

Sisters Income - This is included in the accounts as and when it is paid into the Charity's bank by either the individual Sisters or their employers.

Care Home Residents Fees - This income is included in the accounts in the year in which it is receivable which is when the charity is entitled to the resource.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The charitable activities are split between Waverley care home in Liverpool and the other congregations which are spread across the UK. Likewise, the support costs have been split between the care home and the congregation.

**Goodwill**

Goodwill relates to the purchase of a care home in 2007. The goodwill was amortised on a straight line basis of 5 years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- Straight line over 50 years
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance

Freehold land is not depreciated.

Assets costing over £1,000 are capitalised.

**THE CONGREGATION OF THE DAUGHTERS OF  
MARY MOTHER OF MERCY IN THE  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2015

**1. ACCOUNTING POLICIES - continued**

**Taxation**

As a charity, the organisation is not subject to Corporation Tax or any other taxes on income or gains arising from its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

**Debtors**

Other debtors represent prepayments that are valued at the amount prepaid net of any trade discounts due.

**Creditors and provisions**

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.

**Financial instruments (loan)**

The charity only has 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 the carrying value plus accrued interest less repayments.

**Transition to FRS 102**

No accounting policies have changed as a result of the adoption of the new Charities FRSSE SORP but governance costs have now been included within support costs and allocated to each of the main charitable activities. This has changed the way 2014's statement of financial activities is shown but has not impacted on the overall surplus or deficit made in the previous year.

**2. SUPPORT COSTS**

	<b>Finance</b>	<b>Governance</b>	<b>Totals</b>
	<b>£</b>	<b>costs</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Religious activities	2,779	11,880	14,659
Care Home	<u>12,698</u>	<u>8,151</u>	<u>20,849</u>
	<u>15,477</u>	<u>20,031</u>	<u>35,508</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2015 nor for the year ended 31 December 2014.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2015 nor for the year ended 31 December 2014.

**THE CONGREGATION OF THE DAUGHTERS OF  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2015

**4. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	<b>31.12.15</b>	<b>31.12.14</b>
Waverley Care Home	<u>17</u>	<u>17</u>

No employees received emoluments in excess of £60,000.

As members of the order, the trustees' living expenses are borne by the Order. The trustees received no remuneration or other benefits in connection with their duties as trustees.

**5. 2014 STATEMENT OF FINANCIAL ACTIVITIES AS RESTATED**

	Unrestricted fund £	Designated fund £	Total funds £
<b>INCOME FROM</b>			
<b>Charitable activities</b>			
Sisters salaries	468,976	-	468,976
Care Home	<u>366,651</u>	<u>-</u>	<u>366,651</u>
<b>Total</b>	835,627	-	835,627
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Religious activities	392,933	10,643	403,576
Care Home	<u>347,509</u>	<u>3,500</u>	<u>351,009</u>
<b>Total</b>	<u>740,442</u>	<u>14,143</u>	<u>754,585</u>
<b>NET INCOME/(EXPENDITURE)</b>	95,185	(14,143)	81,042
<b>Transfers between funds</b>	<u>(161,629)</u>	<u>161,629</u>	<u>-</u>
<b>Net movement in funds</b>	(66,444)	147,486	81,042
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>382,159</u>	<u>324,046</u>	<u>706,205</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>315,715</u></u>	<u><u>471,532</u></u>	<u><u>787,247</u></u>

**THE CONGREGATION OF THE DAUGHTERS OF  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2015

**6. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 January 2015 and 31 December 2015	<u>135,000</u>
<b>AMORTISATION</b>	
At 1 January 2015 and 31 December 2015	<u>135,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>-</u>

**7. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 January 2015	1,137,400	5,112	74,088	40,224	1,256,824
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,030</u>	<u>2,030</u>
At 31 December 2015	<u>1,137,400</u>	<u>5,112</u>	<u>74,088</u>	<u>42,254</u>	<u>1,258,854</u>
<b>DEPRECIATION</b>					
At 1 January 2015	153,325	5,110	59,754	22,826	241,015
Charge for year	<u>14,143</u>	<u>-</u>	<u>2,868</u>	<u>3,885</u>	<u>20,896</u>
At 31 December 2015	<u>167,468</u>	<u>5,110</u>	<u>62,622</u>	<u>26,711</u>	<u>261,911</u>
<b>NET BOOK VALUE</b>					
At 31 December 2015	<u>969,932</u>	<u>2</u>	<u>11,466</u>	<u>15,543</u>	<u>996,943</u>
At 31 December 2014	<u>984,075</u>	<u>2</u>	<u>14,334</u>	<u>17,398</u>	<u>1,015,809</u>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.15 £	31.12.14 £
Other debtors	<u>3,989</u>	<u>1,589</u>

**THE CONGREGATION OF THE DAUGHTERS OF  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2015**

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.12.15</b>	<b>31.12.14</b>
	£	£
Bank loans and overdrafts (see note 11)	55,710	52,970
Taxation and social security	2,225	19,243
Other creditors	<u>25,338</u>	<u>19,877</u>
	<u>83,273</u>	<u>92,090</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31.12.15</b>	<b>31.12.14</b>
	£	£
Bank loans (see note 11)	<u>251,859</u>	<u>309,571</u>

A loan was taken out in December 2003 with Allied Irish Bank to help finance the purchase of 1 Brettenham Avenue, Walthamstow. The loan is repayable quarterly over 15 years and the rate of interest charged is 1.25% above the Bank's Base Rate. The loan is secured by a first legal charge on the freehold property in Walthamstow.

A second loan was taken out in March 2007 with Allied Irish Bank to help finance the purchase of Waverley Nursing Home, Liverpool. The loan is repayable quarterly over 15 years and the rate of interest charged is 1.25% above the Bank's Base Rate. The loan is secured by a first legal charge on the freehold property in Liverpool.

**11. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.12.15</b>	<b>31.12.14</b>
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>55,710</u>	<u>52,970</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>55,710</u>	<u>52,970</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>167,131</u>	<u>158,912</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>29,018</u>	<u>97,689</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2015**

**12. MOVEMENT IN FUNDS**

**Designated Funds**

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes :

	Balance at1 January 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2015 £
Property fund	471,532	-	(14,143)	204,973	662,362
	<u>471,532</u>	<u>-</u>	<u>(14,143)</u>	<u>204,973</u>	<u>662,362</u>

**Movement in designated funds - prior year:**

	Balance at1 January 2014 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2014 £
Property fund	324,046	-	(14,143)	161,629	471,532
	<u>324,046</u>	<u>-</u>	<u>(14,143)</u>	<u>161,629</u>	<u>471,532</u>

The property fund represents the funds necessarily set aside for the charity's occupation of the land and buildings, being the freehold premises less the loan thereon. The fund includes the amount invested in purchasing the new Nursing home in Liverpool, but also takes into account any impairment loss incurred.

**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2015.

**14. FIRST YEAR ADOPTION**

On adoption of the Charities SORP FRSSE (effective 1.1.15), we have changed the SOFA so that expenditure is now categorised by charitable activities and has an allocation of support costs charged against the activity. The trustees have identified one charitable activity. Governance costs are now included within support costs and allocated against the charitable activity. This reallocation has not changed the overall surplus made in 2015.