

REGISTERED COMPANY NUMBER: 02777294 (England and Wales)
REGISTERED CHARITY NUMBER: 1019200

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST DECEMBER 2016
FOR
WELLINGTON COTTAGE CARE TRUST

D E Ball & Co Limited
Chartered Accountants
15 Bridge Road
Wellington Telford

WELLINGTON COTTAGE CARE TRUST

Shropshire
TF1 1EB
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OF THE
FINANCIAL
STATEMENTS
for the
Year Ended
31st
December
2016

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WELLINGTON COTTAGE CARE TRUST

REPORT OF THE TRUSTEES **for the Year Ended 31st December 2016**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2016. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity is to raise funds to maintain and develop the Wellington Cottage Care Trust to enable it to expand its patient care, which opened on 8th January 2002 as a day care centre, and to manage it as a warm, friendly place of respite for the guests with enjoyable mental and physical therapies, satisfactory food and good comfort.

Public benefit

The main activity is undertaken to further our charitable purposes for the public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

All of the income is received from day charges for guests, donations, sale of goods in the charity shop at Wellington, fund raising activities and Bank interest.

The income from Day-care fees continues to be impacted by the reduced funds available to the local Council to spend on supporting the care of the elderly. The charity has benefited from one off donations for specific purposes. When these are excluded, the charity has managed to edge closer to a break even position. The Statement of Financial Activities shows a net surplus for the year of £28,433. The reserves at the 31 December 2016 amounted to £427,406.

The Trustees have been and continue to monitor the Financial position on a monthly basis. While they continue to try and find ways of increasing the income from Day-care fees along with reducing costs wherever possible, it remains a difficult financial environment and they recognise significant financial challenges remain.

FINANCIAL REVIEW

Reserves policy

The trustees have established a policy where the general fund should aim to hold at least the equivalent of the costs of three months overheads, approximately £35,000, to enable the charity to continue if there was a short term significant drop in income or donations.

FUTURE PLANS

The charity will continue to look at ways of increasing the number of guests attending the centre.

The present level of funding is being used to meet the expenditure on refurbishment and Patient care. Additional funding will be required to enable the charity to move towards its objective of eventually offering full 24/7 respite care.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The charity's object is to provide Patient Care in the premises previously known as Wellington Cottage Hospital in Haygate Road, Wellington, Telford, Shropshire.

Organisational structure

The charity is organised so that the trustees meet regularly to manage its affairs. The day to day administration of the charity and organisation of fundraising initiatives and the supervision of the refurbishment work are the responsibility of the General Manager.

WELLINGTON COTTAGE CARE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02777294 (England and Wales)

REPORT OF THE TRUSTEES for the Year Ended 31st December 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1019200

Registered office

Cottage Care Centre
79 Haygate Road
Wellington
Telford
Shropshire
TF1 2BJ

Trustees

B P G Benham	Retired	
D E T Whittingham	Retired	
Sister M A Cuthbert	District nurse	
Mrs C Bethell	Retired	
J D Evans	Retired	
Ms J N Hallam	Teacher	
T Gilder	Journalist	
M Berresford-Dutton	Retired	- resigned 19.1.16
Mrs H J Lloyd	Retired nurse	- appointed 1.1.17

Company Secretary

D E T Whittingham

Independent examiner

D E Ball & Co Limited
Chartered Accountants
15 Bridge Road
Wellington
Telford
Shropshire
TF1 1EB

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 18th July 2017 and signed on its behalf by:

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WELLINGTON COTTAGE CARE
TRUST**

I report on the accounts for the year ended 31st December 2016 set out on pages four to fourteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) 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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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

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 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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)

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.

Russell Ball
ICAEW
D E Ball & Co Limited
Chartered Accountants
15 Bridge Road
Wellington
Telford

WELLINGTON COTTAGE CARE TRUST

Shropshire
TF1 1EB

18th July 2017

WELLINGTON COTTAGE CARE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st December 2016

			31.12.16	31.12.15
		Unrestricted	Restricted	
		funds	fund	Total
				funds
	Notes	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies		19,256	33,131	52,387
Other trading activities	2	273,463	-	273,463
Investment income	3	72	-	72
Total		<u>292,791</u>	<u>33,131</u>	<u>325,922</u>
EXPENDITURE ON				
Raising funds		16,650	-	16,650
Charitable activities				
Daycare Centre		280,839	-	280,839
Total		<u>297,489</u>	<u>-</u>	<u>297,489</u>
NET INCOME/(EXPENDITURE)		<u>(4,698)</u>	<u>33,131</u>	<u>28,433</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		<u>302,002</u>	<u>96,971</u>	<u>398,973</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>297,304</u></u>	<u><u>130,102</u></u>	<u><u>427,406</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

BALANCE SHEET
At 31st December 2016

			31.12.16	31.12.15
		Unrestricted	Restricted	
		funds	fund	Total
				funds
	Notes	£	£	£
FIXED ASSETS				
Tangible assets	8	433,131	130,102	563,233
CURRENT ASSETS				
Debtors	9	36,408	-	36,408
Cash at bank and in hand		13,167	-	13,167
		<u> </u>	<u> </u>	<u> </u>

The notes form part of these financial statements

WELLINGTON COTTAGE CARE TRUST

	10	49,575	-	49,575	57,870
CREDITORS					
Amounts falling due within one year		(21,234)	-	(21,234)	(22,227)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
			-		
NET CURRENT ASSETS		<u>28,341</u>	<u> </u>	<u>28,341</u>	<u>35,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	11	461,472	130,102	591,574	571,397
CREDITORS			-		
Amounts falling due after more than one year		(164,168)	-	(164,168)	(172,424)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	14		130,102		
NET ASSETS		<u>297,304</u>	<u>130,102</u>	<u>427,406</u>	<u>398,973</u>
FUNDS					
Unrestricted funds				297,304	302,002
Restricted funds				<u>130,102</u>	<u>96,971</u>
TOTAL FUNDS				<u>427,406</u>	<u>398,973</u>

continued...

BALANCE SHEET - CONTINUED
At 31st December 2016

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st December 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 18th July 2017 and were signed on its behalf by:

B P G Benham -Trustee

The notes form part of these financial statements

WELLINGTON COTTAGE CARE TRUST

D E T Whittingham -Trustee

The notes form part of these financial statements

WELLINGTON COTTAGE CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31st December 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Tangible fixed assets

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

Furniture and Equipment - 15% on reducing balance

Motor vehicles - 25% on reducing balance

Freehold property is not depreciated. The Trustees are of the view that the level of ongoing repair and maintenance of the property will result in the residual value of the property at the end of its useful life being greater than its original cost. This is reviewed annually by the Trustees.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

Day-care fees	31.12.16	31.12.15
Charity shops	£	£
	252,517	236,426
	20,946	24,925
	<u>273,463</u>	<u>261,351</u>

3. INVESTMENT INCOME

31.12.16	31.12.15
£	£

WELLINGTON COTTAGE CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31st December 2016

Interest received	72	125
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.16	31.12.15
	£	£
Depreciation - owned assets	6,006	7,058
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2016 nor for the year ended 31st December 2015 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2016 nor for the year ended 31st December 2015 .

6. STAFF COSTS

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

	31.12.16	31.12.15
Charitable activities	18	18
	<u> </u>	<u> </u>

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	22,662	-	22,662
Other trading activities	261,351	-	261,351
Investment income	125	-	125
	<u> </u>	<u> </u>	<u> </u>
Total	284,138	-	284,138
 EXPENDITURE ON			
Raising funds	21,169	-	21,169
Charitable activities			

WELLINGTON COTTAGE CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31st December 2016

Daycare Centre	277,032	-	277,032
	<hr/>	<hr/>	<hr/>
Total	298,201	-	298,201
	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	(14,063)	-	(14,063)

8.

	Unrestricted fund £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
	316,065	96,971	413,036
Total funds brought forward	<hr/>	<hr/>	
	<hr/>	<hr/>	
TOTAL FUNDS CARRIED FORWARD	<u>302,002</u>	<u>96,971</u>	398,973

TANGIBLE FIXED ASSETS

	Land & building £	Furniture and Equipment £	Motor vehicles £	Totals £
COST				
At 1st January 2016	694,481	122,615	25,838	842,934
Additions	32,400	1,085	-	33,485
	<hr/>	<hr/>	<hr/>	
At 31st December 2016	<u>726,881</u>	<u>123,700</u>	<u>25,838</u>	876,419
DEPRECIATION				
At 1st January 2016	194,567	91,448	21,165	307,180
Charge for year	-	4,838	1,168	6,006
	<hr/>	<hr/>	<hr/>	
At 31st December 2016	<u>194,567</u>	<u>96,286</u>	<u>22,333</u>	313,186
NET BOOK VALUE				
At 31st December 2016	<u>532,314</u>	<u>27,414</u>	<u>3,505</u>	563,233
	<hr/>	<hr/>	<hr/>	
At 31st December 2015	<u>499,914</u>	<u>31,167</u>	<u>4,673</u>	535,754

9.

DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16 £	31.12.15 £
Trade debtors	36,408	31,152

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31st December 2016

31.12.16	31.12.15
£	£
9,900	9,900
<u>11,334</u>	<u>12,327</u>
21,234	22,227

WELLINGTON COTTAGE CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31st December 2016

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.16	31.12.15
	£	£
Bank loans (see note 12)	164,168	172,424
	<u> </u>	<u> </u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.12.16	31.12.15
	£	£
Amounts falling due within one year on demand:		
Bank loans	9,900	9,900
	<u> </u>	<u> </u>

Amounts falling due between two and five years:

Bank loans - 2-5 years	39,600	39,600
	<u> </u>	<u> </u>

Amounts falling due in more than five years:

Repayable by instalments:		
Bank loans more 5 yr by instal	124,568	132,824
	<u> </u>	<u> </u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.16	31.12.15
	£	£
Bank loans	174,068	182,324
	<u> </u>	<u> </u>

	302,002	(4,698)	297,304
Restricted funds			
Specific Expenditure	96,971	33,131	130,102
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	398,973	28,433	427,406
	<u> </u>	<u> </u>	<u> </u>

The bank loan is secured by a charge over the freehold building.

WELLINGTON COTTAGE CARE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31st December 2016

14. MOVEMENT IN FUNDS

	At 1.1.16	Net movement in funds	At 31.12.16
	£	£	£
Unrestricted funds			
General fund	244,284	(4,698)	239,586
Repair Fund	57,718	-	57,718

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	292,791	(297,489)	(4,698)
Restricted funds			
Specific Expenditure	33,131	-	33,131
TOTAL FUNDS	<u>325,922</u>	<u>(297,489)</u>	<u>28,433</u>
Purposes of Funds			

General Fund

The surplus on this fund over and above those funds invested in Fixed Assets represents "free reserves". Of this sum, £35,000 is held to enable the charity to continue for up to 3 months in the event of a significant short term drop in income. Any remaining "free reserves" are at present allocated for use towards the proposed development of a 24/7 Respite Centre.

Designated Fund

This represents funds allocated to meet larger repair costs as and when they arise.

Restricted Fund

This represents funds given for specific purposes such as the mini bus, bathroom improvements, sensory garden, patios and craft room.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2016.

WELLINGTON COTTAGE CARE TRUST

RECONCILIATION OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2015

		UK GAAP	Effect of transition to FRS 102	FRS 102
	Notes	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies		22,662	-	22,662
Other trading activities		261,351	-	261,351
Investment income		125	-	125
		<hr/>	<hr/>	<hr/>
Total		284,138	-	284,138
EXPENDITURE ON				
Raising funds		21,169	-	21,169
Charitable activities		277,032	-	277,032
		<hr/>	<hr/>	<hr/>
Total		298,201	-	298,201
		<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		<u><u>(14,063)</u></u>	<u><u>-</u></u>	<u><u>(14,063)</u></u>

WELLINGTON COTTAGE CARE TRUST

RECONCILIATION OF FUNDS AT 1ST JANUARY 2015 (DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
		_____	_____	_____
		-	-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		_____ -	_____ -	_____ -
		_____ -	_____ -	_____ -
		=====	=====	=====
		_____	_____	_____
FUNDS TOTAL FUNDS		===== -	===== -	===== -

WELLINGTON COTTAGE CARE TRUST

RECONCILIATION OF FUNDS
AT 31ST DECEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		535,754	-	535,754
CURRENT ASSETS				
Debtors		31,152	-	31,152
Cash at bank and in hand		26,718	-	26,718
		<u>57,870</u>	<u>-</u>	<u>57,870</u>
CREDITORS				
Amounts falling due within one year		<u>(22,227)</u>	<u>-</u>	<u>(22,227)</u>
NET CURRENT ASSETS		<u>35,643</u>	<u>-</u>	<u>35,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		571,397	-	571,397
CREDITORS				
Amounts falling due after more than one year		<u>(172,424)</u>	<u>-</u>	<u>(172,424)</u>
NET ASSETS		<u>398,973</u>	<u>-</u>	<u>398,973</u>
FUNDS				
Unrestricted funds		302,002	-	302,002
Restricted funds		<u>96,971</u>	<u>-</u>	<u>96,971</u>
TOTAL FUNDS		<u>398,973</u>	<u>-</u>	<u>398,973</u>

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st December 2016

	31.12.16 £	31.12.15 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and fund raising	52,387	22,662
Other trading activities		
Day-care fees	252,517	236,426
Charity shops	20,946	24,925
	<u></u>	<u></u>

WELLINGTON COTTAGE CARE TRUST

	273,463	261,351
Investment income		
Interest received	72	125
	<hr/>	<hr/>
Total incoming resources	325,922	284,138
 EXPENDITURE		
Other trading activities		
Wages	700	5,596
Rent, water and insurance	12,563	12,501
Lighting and heating	759	920
Telephone	268	283
Printing stationery and adverts	186	44
Repairs and renewals	966	285
Sundry expenses	1,033	1,240
Accountancy charges	175	300
	<hr/>	<hr/>
	16,650	21,169
 Charitable activities		
Wages	174,822	171,079
Insurance and water rates	12,645	14,001
Light and heat	13,758	13,611
Telephone	1,642	1,492
Printing, stationery and adverts	2,021	1,736
Repairs and renewals	7,870	5,181
Sundries	11,610	12,155
Craft materials	267	321
Meals and groceries	27,906	27,758
Minibus expenses	4,744	4,850
Professional fees	2,866	2,866
Bad debts written off	501	157
Depreciation of equipment	4,838	5,500
Depreciation of minibus	1,168	1,558
Bank charges	554	561
Bank loan interest	11,541	12,073
	<hr/>	<hr/>
	278,753	274,899
 Support costs		

This page does not form part of the statutory financial statements

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31st December 2016

	31.12.16	31.12.15
	£	£
Governance costs		
Wages	1,000	1,000
Accountancy fees	1,086	1,133
	<hr/>	<hr/>
	2,086	2,133
	<hr/>	<hr/>

WELLINGTON COTTAGE CARE TRUST

Total resources expended	297,489	298,201
	<hr/>	
Net income/(expenditure)	<u>28,433</u>	<u>(14,063)</u>

This page does not form part of the statutory financial statements