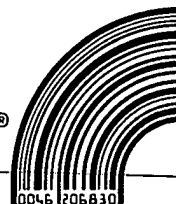


**GroceryAid®**

From factory to store we're your charity



0046 1206830

**NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

**A Company Limited by Guarantee  
Registered Charity**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2014**

**Registered Charity Number 1095897 (England & Wales) SC039255 (Scotland)  
Company Registered in England and Wales Number 4620683**

**Registered Office and Principal Address:**

**2 Lakeside Business Park,  
Swan Lane,  
Sandhurst, Berkshire  
GU47 9DN**

**FRIDAY**  
**SAT**



\*A3BX39DC\*

A31 11/07/2014 #279

COMPANIES HOUSE

\*A3AZV6P5\*

A34 28/06/2014 #46

COMPANIES HOUSE

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**

**CONTENTS**

	Page
Legal and administrative information	1
GroceryAid Strategic Goals	2
Trustees' Report	3-7
Independent auditors' report	8-9
Statement of Trustees' responsibilities	10
Statement of Financial Activities (including Income and expenditure account)	11
Balance Sheet	12
Cash Flow Statement	13
Notes forming part of these financial statements	14-24

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **Legal and administrative information for the year ended 31<sup>st</sup> March 2014**

### **Constitution**

The National Grocers Benevolent Fund, trading as GroceryAid, is a company limited by guarantee, a registered charity number 1095897 and Scottish registered charity number SC039255, which is governed by its memorandum and articles of association. The company was incorporated on 18<sup>th</sup> December 2002 and registered as company number 4620683.

### **Directors and Trustees**

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. An explanation of the method of appointment of Trustees is provided in the Trustees' Report.

The Trustees serving during the period and since the period-end, unless otherwise indicated, were as follows:

J M Batchelar	
J H Black	
Z M Choudrey	
B W Dalla Mura	
C Etherington	Chairman
P Greenhalgh	(appointed 21.5.13)
R H Grundy	
D C Hudson	
G C Huse	Vice Chairman
N F Matthews OBE	
A W Paine	
A R Smith	
M P Smith	(appointed 12.11.13)
R A M Smith	
G D Walker	(resigned 24.9.13)
D L Watkins	(resigned 30.5.14)

<b>Life Patrons</b>	Sir David Reid, Mark Price CVO
<b>Director General</b>	Gillian M Barker
<b>Company Secretary</b>	T M Straker ACIB
<b>Registered Office</b>	2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire GU47 9DN
<b>Website</b>	<a href="http://www.groceryaid.org.uk">www.groceryaid.org.uk</a>
<b>Email</b>	info@groceryaid.org.uk
<b>Auditors</b>	Stewart & Co., Knoll House, Knoll Road, Camberley, Surrey GU15 3SY
<b>Bankers and Investment providers</b>	Lloyds TSB Commercial, 1/2 Market Place, Reading, Berkshire, RG1 2EQ CCLA Investment Management Limited, London Newton Investment Management Limited, London Baring Asset Management Limited, London

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **GROCERYAID STRATEGIC GOALS**

### **Our Vision**

To be at the heart and soul of the industry; helping to create a better future for current and former colleagues

### **Our Mission:**

To alleviate hardship now and in the future by giving support and by informing industry colleagues of the need to get involved and help find solutions

### **The objects of the Charity:**

- The relief of necessitous persons, who are or have been engaged in the grocery or provisions trade, greengrocers and the off-licence trade, in any capacity, and for the relief of necessitous widows, widowers and their dependent children.
- To undertake any other charitable purpose.

### **Our short term targets:**

- to raise £4M this year through fundraising
- to help 400 more people in need
- to make contact with each beneficiary at least once this year
- to extend the usage of the Welfare Helpline
- to deliver 180 GroceryAid Achievement Awards

### **Our long term objectives:**

- to work collaboratively with other benevolent societies
- to develop the visiting service
- to work with the industry to identify and support those in need
- to find other income streams

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **TRUSTEES' REPORT for the year ended 31<sup>st</sup> March 2014**

### **Report from the GroceryAid Trustees**

The Trustees are pleased to present their report together with the audited financial statements of the fund for the year ended 31<sup>st</sup> March 2014

### **Who We Are**

GroceryAid is the trading name of the National Grocers Benevolent Fund; a company limited by guarantee, (incorporated on 18th December 2002) registered in England and Wales no. 4620683 and a registered charity 1095897 (England & Wales) and SCO39255 (Scotland). The principal and registered office for GroceryAid is 2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire GU47 9DN.

### **How We Run the Charity**

The Charity is run by 14 serving Charity Trustees who are also directors and members of the limited company. In that capacity they select new members of the Board of Trustees.

Trustees are responsible for compliance with our legal and statutory requirements and also the safe and effective running of the Charity. They meet every quarter to discuss and review both the day-to-day operations and the strategic direction of the charity. Mrs Gillian Barker, appointed by the Trustees as Director General, manages the day-to-day operations of the Charity. She reports to the quarterly Trustee meetings and contributes to the discussions in an advisory capacity. Her senior direct reports are Mrs Cathy Mercer, Welfare Development Director and Mr Tim Straker, Company Secretary and Office Manager.

Various Trustees and industry colleagues sit on four main charity sub-committees covering welfare, welfare strategy, finance and fundraising. These committees keep the Trustee Board updated on plans and initiatives. Formal terms of reference exist for these committees and these are set out in the GroceryAid Policy Document, which is reviewed and updated annually. This document also contains various processes and procedures to ensure that we have appropriate controls in place for the effective and efficient operation of the Charity.

Trustees serve for a three year period and may be re-elected to serve for further three year periods. All Charity Trustees have signed an 'Eligibility to Serve' declaration form, a declaration of any Conflicts of Interest and have completed an enhanced Disclosure and Barring Service check. As the Charity works with vulnerable people all Trustees are cleared by the Disclosure and Barring Service. The possible existence of conflicts of interest is considered prior to the start of every meeting of the Board of Trustees. All new Trustees have a formal induction that covers the role of the Charity and what is expected of them in their role as GroceryAid Trustees. No Trustees are paid by the charity for their services.

Charity law requires organisations to demonstrate explicitly that their aims are for public benefit. The charitable activities of GroceryAid are available to people in need who are, or have been, engaged in the grocery or provisions trade, greengrocers and the off-licence trade, in any capacity and for their widows, widowers and dependent children. The Trustee Board have discussed the issue of public benefit and are confident that the breadth and scope of the work of the Charity, as disclosed in this Report, clearly falls within the guidelines set in Section 17 of the 2011 Charities Act.

The GroceryAid brand was launched in October 2012 following the successful merger of Caravan and Sweet Charity in September 2012. GroceryAid is now the trading name of the National Grocers Benevolent Fund and this new branding has been well received by the grocery industry. All welfare provision, fundraising and back room operations are managed from the Sandhurst office.

### **What Our Plans Are**

The GroceryAid strategic plan comprises the GroceryAid Vision and Mission statements, the Objects and the short and long term Objectives for the Charity.

The objects of the Charity, as set out in the Memorandum of Association, are:

- The relief of necessitous persons, who are or have been engaged in the grocery or provisions trade, greengrocers and off-licence trade, in any capacity, and for the relief of necessitous widows, widowers and their dependent children.
- To undertake any other charitable purpose.

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **TRUSTEES' REPORT for the year ended 31<sup>st</sup> March 2014 (continued)**

The GroceryAid Vision is to be at the heart and soul of the industry; helping to create a better future for current and former colleagues. Our Mission is to alleviate hardship now and in the future by giving support and by informing industry colleagues of the need to get involved and help find solutions.

The GroceryAid Strategic Plan is regularly reviewed at the Trustee Board meetings. At the February Trustee meeting, the Vision and Mission statements, the short-term targets and the long-term objectives were reviewed and updated to reflect the new plans of the enlarged charity. These can be found on page 2 of the Annual Report.

### **How We Fundraise**

GroceryAid raises money through local and central fundraising. No monies are raised via public collections. Our stated target is to continue raise at least £4M per annum and I am pleased to note that we have exceeded this and raised a record £4.27M

The Annual Luncheon and the Annual Diamond Ball are the two key annual events for the Charity, which raised £307,278 (2013:£311,995) and £291,667 (2013:£279,707) respectively, beating the targets set for them. Branch income totalled £1,114,133 (2013:£1,020,409) which only further emphasises the hugely important role our regional committees play in the success of the Charity

All of the Charity's income comes from the industry we work to support. This can be in the form of a donation and by supporting local and national fundraising events.

### **Who Are the People We Help?**

GroceryAid is a national charity that looks after anyone who is, or has been, engaged in the grocery or provisions trade, greengrocers and off-licence trade. We also look after widows, widowers, partners and dependent children. We set ourselves a target of helping at least 400 new beneficiaries this year and also to make contact with each beneficiary at least once per year. I am pleased to report that we took on 424 new beneficiaries during the last twelve months compared to 165 for the previous year. Our contact rate of 86% (2013: 97%) masks the greatly increased number of beneficiaries we now look after following the merger between Caravan and Sweet Charity. Overall we made an additional 279 visits on previous year.

We do lose beneficiaries, primarily due to the age profile but some due to savings over our requirement level. During the last twelve months, 327 were removed compared to 195 for the previous year.

In the past twelve months we supported more than 3,300 people financially, making annuity payments to more than 2,300 people who have worked in our industry. We also made a further 154 payments to dependants. In addition, each beneficiary is contacted by one of the GroceryAid volunteer welfare assessors or Welfare Officers and where a visit is not possible a telephone call is made, or a letter sent, to ensure our beneficiaries are safe and well. All of our beneficiaries receive the quarterly GroceryAid Circle of Friendship newsletter plus a £10 voucher and card on their birthday and also a Christmas card.

Following the merger of Caravan and Sweet Charity we have now been able to harmonise the welfare payments made to ensure that all annuitants receive the same allowance.

We also paid each annuitant a grant of £175 during 2013-14 to help cope with higher fuel bills.

### **How We Try to Support our Colleagues**

The Charity exists to help those who have fallen on hard times, whether that is an unfortunate set of circumstances that affect those still at work today, or is through old age.

In addition to our annuity payments, we are also offering an increasing number of one-off grants. Prevention (of long term hardship) is a growing part of our work and we help current colleagues overcome a short term problem that will then enable them to return to their workplace. Our Welfare Helpline is available 24/7 and is offered free to everyone within and retired from our industry. Advice, counselling and support is provided on a wide range of issues, such as debt, substance abuse and domestic violence. Enquiries to the Helpline increased by 44% year on year.

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## TRUSTEES' REPORT for the year ended 31<sup>st</sup> March 2014 (continued)

Each year we survey the industry, gathering data on a variety of issues from pension provision to retirement through ill health. The information received from the Annual Survey continues to give us a valuable insight into our industry and feedback from the survey helps drive our welfare agenda.

### Building Awareness of Our Work

Building awareness of the work of the Charity and engaging with those who do support us continues to be a key area of focus for us.

The GroceryAid Achievement Awards, now in their seventh year, have been a great success in doing this and we are delighted that these Awards are now a regular feature for the industry. The Awards recognise the numerous ways that a company can get involved and make a difference, from joining us on our numerous committees to helping us find volunteer welfare assessors from amongst retiring staff. It also offers the Charity the opportunity to recognise and reward those companies that give support to our work. In the sixth year of the Awards which ended on 31 August 2013, 210 companies received a GroceryAid Achievement Award or Supporter's Certificate against our target of 180.

We also continue to honour individual supporters of the Charity with our Hall of Fame Award. This is given in recognition of at least 10 years service to the Charity and we were delighted to add another three members during the last twelve months, bringing the total membership to 67.

During the year we held 15 Awareness Days in head offices and factories. This initiative is spearheaded by the GroceryAid Network committees and aims to introduce the work of the charity to a larger audience.

### Where Our Income Comes From

The total net income raised during 2013/14 comes from three main sources:

- **Fundraising** 2,372,845 (2012/13: £2,261,739)
- **Donations (including legacies)** £1,609,038 (2012/13: £1,103,731)
- **Investment income** £293,004 (2012/13: £260,598)

The make up of our fundraising income is detailed on page 18 and you can see where our donations come from on page 17

Included in donations are the monies we received from the Leverhulme Trade Charities Trust (£135,000). £95,000 of this donation is for the specific support of those who have been engaged or employed in a small UK business (less than 50 employees) that sells, or has sold, by retail a wide range of edible and non-edible goods. The remaining £40,000 is to support the work of our Helpline.

### How We Spend This Money

During 2013/14 we raised a record £4,274,887 and of this £3,713,931 was spent on welfare support, enabling us to assist more beneficiaries than ever before.

Former and current associates are eligible for support from GroceryAid if they or their partner have worked in our industry either full-time or part-time, for at least ten years and are able to demonstrate a degree of financial hardship. On application, one of the GroceryAid welfare assessors will contact the applicant to assess their eligibility on an individual basis.

Each GroceryAid beneficiary receives an annual payment, paid quarterly, of £830. Many of our beneficiaries have little or no savings so through our grant making process and aided by the regular visits of our welfare assessors we are able to make sure that all have the necessary basic household essentials - from beds and TVs to cookers and fridges. We also supply mobility items, such as electrically powered wheelchairs, bath and stair lifts and help fund essential household repairs, to enable our beneficiaries to remain safe and secure in their own homes.

Our beneficiaries come from all parts of the United Kingdom and at the end of March; 7.5% live in Scotland, 6% in Wales, 1.5% in Northern Ireland and 85% in England. The allocations of our welfare spend mirrors this split.

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **TRUSTEES' REPORT for the year ended 31<sup>st</sup> March 2014 (continued)**

Governance costs of £83,663 (which includes an allocation of office overheads) reflect the cost of administering the Charity and ensuring we comply with all current legislation relating to the Charity Commission, the Office of the Scottish Charity Regulator (O.S.C.R) and to Company law.

### **How We Manage Risk**

Our Risk Management Policy seeks to identify any major risks to which the Charity may be exposed and that may affect the realisation of our goals.

Our short-term targets and long-term objectives are reviewed by the Trustee Board at our quarterly Trustee meetings. The Risk Assessment procedure is also regularly reviewed and we can confirm systems are in place to mitigate those risks. This assessment forms part of our Policy Document which is updated and issued annually.

As always, we continue to be concerned about the polarisation within our industry and the implications that this could have on our fundraising efforts. This is particularly the case going forward as we look to ensure supporters of what were Caravan and Sweet Charity continue to support the newly enlarged charity.

Our financial position is continually under review by our Finance Committee and the Trustee Board ensuring that the financial welfare of our beneficiaries is safeguarded.

### **How We Manage Our Investments**

As at 31 March 2014, GroceryAid's cash and investments totalled £11.23m

This is held by the Charity to underpin the value of Reserves retained to ensure the Charity's sustainability (this is covered in more detail in the section on our Reserves Policy). The Trustees objective is that the terms of our Reserves do not decrease in real value by aiming to achieve long-term capital growth ahead of inflation.

The Reserves are also key in the provision of income to help fund current expenditure. To meet these objectives the Trustee Board has set a target return of RPI +3% per year over a rolling five-year period. This is a target and the Trustees acknowledge that due to fluctuations in markets this may not always be possible.

We have a Finance Committee that meets quarterly to review financial controls within the charity, oversee investment performance and recommend changes to the investments as necessary. Our Investment Policy allows us to manage the money we raise and the money we need to have in reserve for unforeseen eventualities.

At 31 March 2014, 75% of the cash and investments was held in three Common Investment Funds. These are: the Newton Global Growth and Income Fund, Newton Global Higher Income Fund and Barings Targeted Return Fund. The remaining 25% is held in cash on deposit.

During the year the capital value of the investment portfolio increased by £162,108 and generated an income of £293,004 from related interest and dividends. In addition, the Charity holds property investments valued at £588,716 (principally our office building in Sandhurst, Berkshire).

With regard to ethical investing, the Trustees are satisfied that our investments do not conflict with the aims of the Charity. Any investments that may hamper the work of the Charity will be avoided as will those deemed inappropriate on moral grounds. Investments that would pose a risk of significant financial detriment will also be avoided.

### **Our Reserves Policy**

Our Reserves Policy is in place to ensure the sustainability of the fund.

The Trustees have reviewed the Reserves Policy of the Charity. The policy is set out in the GroceryAid Policy Document and is as follows:

1. Sustainability (of the fund) is paramount to our beneficiaries and the Trustees believe that sufficient reserves equal to five years at current payment rates should be in place to cover the most extreme case



# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **TRUSTEES' REPORT for the year ended 31<sup>st</sup> March 2014 (continued)**

that fundraising may cease or be dramatically reduced. This is reviewed annually with any surplus considered under our 'Surplus Reserves' policy.

2. Surplus reserves will be reviewed annually and used as working capital and to further the objects of the Charity as the Trustees see fit.

At the Finance Committee meeting the members recommended that £9.2M of the Charity reserves (as at 31st March 2014) be set aside to allow the Charity to continue to look after its current number of beneficiaries for the next five years as set out in point 1 above. In 2011 the Trustee Board agreed that up to £100,000 over each of the next 5 years could be set aside if needed to assist in the development of the GroceryAid Helpline.

### **N.G.B.F. Trading Limited**

The Charity has a wholly owned trading subsidiary which is incorporated in the U.K., company registration No. 2952403. N.G.B.F. Trading Limited receives advertising revenue arising from the publication of the Charity's annual Year Book.

During the year, the company made a gift aid donation of £41,293 transferring all of its taxable profits to the Charity. The Trustees are pleased with the performance and contribution of the subsidiary to the Charity's fundraising for the year.

The directors of the subsidiary include one director who is independent of the Charity.

### **Thank You**

To help us realise the Vision and Mission of the Charity we continue to be immensely grateful to the companies and individuals who support our work. On behalf of the GroceryAid Trustees I would like to extend a huge thank you to all those involved.

Our industry associates give their time to assist us in running the Charity by joining our central and local committees and we are very grateful to all who support us in this way. Our committee members help us introduce the work of the Charity to thousands of our industry colleagues who, with their friends, attend our local and national events. All our committees are staffed by volunteers who give up their time own time and with no thought of personal gain.

We would like to make a special mention, and offer our very sincere thanks and appreciation to our wonderful band of volunteer welfare assessors. We aim to make our beneficiaries feel part of the GroceryAid family and we could not achieve this without these 56 volunteers.

### **GroceryAid Auditors**

A resolution will be proposed at the Annual General Meeting that Stewart & Co. be re-appointed as auditors to the Charity for the ensuing year.

By order of the Trustees:



Chris Etherington (Chairman)

16 June 2014

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **Auditors' Report for the year ended 31<sup>st</sup> March 2014**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NATIONAL GROCERS BENEVOLENT FUND, TRADING AS GROCERYAID**

We have audited the financial statements of National Grocers Benevolent Fund, trading as GroceryAid for the year ended 31 March 2014 which comprise the Consolidated Statement of Financial Activities (including income and expenditure account), the Consolidated Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is set out on page 15.

This report is made solely to the charitable company's members and trustees, 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 charitable company's members and trustees those matters we are required to state to them 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement (set out on page 12), the trustees (who are also the directors of the charitable company 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.

We have been appointed auditor under the Companies Act 2006, section 151 of the Charities Act 2011 and under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts. 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 ("APB's") Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014, and of the group's 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, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended),

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **Auditors' Report for the year ended 31<sup>st</sup> March 2014 (continued)**

### **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, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime



**Andrew Cousins (Senior statutory auditor)  
for and on behalf of Stewart & Co.  
Chartered Accountants and Statutory Auditor**

**16 June 2014**

**Knoll House  
Knoll Road  
Camberley  
Surrey  
GU15 3SY**

# **NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**

## **RESPONSIBILITIES OF THE TRUSTEES for the year ended 31<sup>st</sup> March 2014**

The Trustees (who are also the directors of National Grocers Benevolent Fund for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which 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 Statement of Recommended Practice;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

In so far as the Trustees are aware:

- ·there is no relevant audit information of which the charitable company's auditor is unaware; and
- ·the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Consolidated Statement of Financial Activities (including Income and expenditure account) for the year ended 31st March 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income:					
Donations	4	1,421,452	150,000	1,571,452	1,103,531
Legacies	4		37,586	37,586	200
Funds contributed from Sweet Charity		-		-	2,651,635
Activities for generating funds:					
Central fundraising	5	2,508,453		2,508,453	2,440,997
Branch fundraising	6	1,872,092		1,872,092	1,956,156
Investment income	7	293,004		293,004	260,598
<b>Total incoming resources</b>		<b>6,095,001</b>	<b>187,586</b>	<b>6,282,587</b>	<b>8,413,117</b>
<b>Resources expended</b>					
Cost of generating funds:					
Central fundraising	5	(1,639,312)	-	(1,639,312)	(1,550,562)
Branch fundraising	6	(757,959)	-	(757,959)	(935,747)
Investment management fees		(55,610)	-	(55,610)	(41,259)
<b>Total cost of generating funds</b>		<b>(2,452,881)</b>	<b>-</b>	<b>(2,452,881)</b>	<b>(2,527,568)</b>
<b>Net incoming resources available for charitable application</b>					
		<b>3,642,120</b>	<b>187,586</b>	<b>3,829,706</b>	<b>5,885,549</b>
Charitable activities:					
Grants		(2,289,434)	(9,817)	(2,299,251)	(1,822,110)
Goods and services		(706,312)	(166,300)	(872,612)	(742,837)
Support costs		(542,068)	-	(542,068)	(448,015)
Total expenditure on charitable activities	8	(3,537,814)	(176,117)	(3,713,931)	(3,012,962)
Governance costs	9	(83,663)	-	(83,663)	(75,816)
<b>Total resources expended</b>		<b>(6,074,358)</b>	<b>(176,117)</b>	<b>(6,250,475)</b>	<b>(5,616,346)</b>
<b>Net incoming resources before other gains and (losses)</b>					
		<b>20,643</b>	<b>11,469</b>	<b>32,112</b>	<b>2,796,771</b>
Exceptional item: merger expenses	12	-	-	-	(74,344)
<b>Total net income for the year</b>		<b>20,643</b>	<b>11,469</b>	<b>32,112</b>	<b>2,722,427</b>
Other recognised gains and (losses):					
Gains and losses on investments	13	162,108	-	162,108	690,158
<b>Net movement in funds</b>		<b>182,751</b>	<b>11,469</b>	<b>194,220</b>	<b>3,412,585</b>
Total funds brought forward from previous year		12,349,857	23,027	12,372,884	8,960,299
<b>Total funds carried forward</b>		<b>12,532,608</b>	<b>34,496</b>	<b>12,567,104</b>	<b>12,372,884</b>

The statement of financial activities includes all gains and losses recognised in the period.

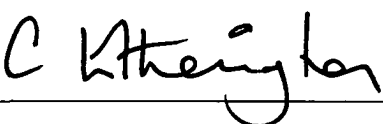
All of the above amounts relate to continuing activities

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Consolidated and Charity Balance Sheets as at 31st March 2014

	Notes	2014 £	Group 2013 £	2014 £	Charity 2013 £
<b>FIXED ASSETS</b>					
Tangible assets	14	607,585	614,456	607,585	614,456
Investments	15	8,506,448	9,704,203	8,516,448	9,714,203
Total fixed assets		9,114,033	10,318,659	9,124,033	10,328,659
<b>CURRENT ASSETS</b>					
Debtors	16	1,502,512	1,421,604	1,510,604	1,417,943
Cash at bank and in hand	17	2,726,650	1,225,190	2,697,223	1,204,876
Total current assets		4,229,162	2,646,794	4,207,827	2,622,819
<b>CREDITORS:</b>					
Amounts falling due within one year	18	(776,091)	(592,569)	(764,756)	(578,594)
<b>NET CURRENT ASSETS</b>		<b>3,453,071</b>	<b>2,054,225</b>	<b>3,443,071</b>	<b>2,044,225</b>
<b>NET ASSETS</b>		<b>12,567,104</b>	<b>12,372,884</b>	<b>12,567,104</b>	<b>12,367,884</b>
<b>FUNDS</b>					
Unrestricted income fund	20	11,122,888	11,101,437	11,122,888	11,101,437
Revaluation reserve	15	1,409,720	1,248,420	1,409,720	1,248,420
Restricted income fund	21	34,496	23,027	34,496	23,027
<b>TOTAL FUNDS</b>		<b>12,567,104</b>	<b>12,372,884</b>	<b>12,567,104</b>	<b>12,367,884</b>

The financial statements were approved by the Board of Trustees and authorised for issue on 16th June 2014 and signed on their behalf by:



CHRISTOPHER ETHERINGTON  
Trustee



ROBERT GRUNDY  
Trustee

The notes on pages 14 to 24 form part of these financial statements.

Company Number: 4620683

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Group Cash Flow Statement for the year ended 31st March 2014

	Note	2014 £	2013 £
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	<b>23</b>	<b>(145,607)</b>	<b>1,898,984</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Income from UK Listed Investments		241,713	172,948
Interest received		51,291	87,650
Net cash inflow from returns on investments and servicing of finance		293,004	260,598
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Tangible fixed assets contributed by the Sweet Charity		-	(5,807)
Other investments contributed by the Sweet Charity		-	(2,359,592)
Payments to acquire tangible fixed assets		(6,091)	(12,171)
Disposal of tangible fixed assets		291	1,717
Acquisition of other investments		(1,142,142)	(1,102,104)
Disposal of other investments		2,000	1,001,355
Net cash outflow from capital expenditure		(1,145,942)	(2,476,602)
Cash (outflow) before use of liquid resources		(998,545)	(317,020)
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
Net cash inflow from other liquid investments		2,500,005	290
Net cash inflow from management of liquid resources		2,500,005	290
<b>INCREASE/(DECREASE) IN CASH</b>	<b>24</b>	<b>1,501,460</b>	<b>(316,730)</b>

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 1 Accounting policies

The principal accounting policies of the charity are as follows:-

#### a) **Basis of the preparation of the financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment portfolios, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP) issued in March 2005, accounting standards and the Companies Act 2006.

#### b) **Method of consolidation**

The financial statements consolidate the results and position of the subsidiary undertaking (see note 2) and all of the Charity's branches on a line by line basis in both the Statement of Financial Activities (including income and expenditure account) and the Balance Sheet. A separate Statement of Financial Activities, or income and expenditure account is not presented because the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

#### c) **Incoming resources**

##### Voluntary income

Income from donations is accounted for on a receivable basis being included at the earliest of the date of receipt or at the point at which a pledge is received or, where a pledge is associated with a particular event, upon the occurrence of that event.

##### Legacies

Income from legacies is accounted for on a receivable basis being included at the earliest of the date of receipt or at the point which notification is received, provided that there is sufficient evidence to provide the necessary certainty that the legacy will be received.

##### Central and branch fundraising

Income from fundraising is accounted for on a receivable basis. Income associated with a particular event is reported only upon that event having taken place, with income received in advance of events being treated as deferred income.

##### Investment income

Income from investments is accounted for on a receivable basis.

##### Gifts in Kind and Donated Services

Items donated to the charity to assist with particular fundraising events are recognised in the financial statements at market value as income to and resources expended against the respective activities. The donation of services to the charity is similarly recognised within the financial statements by the inclusion of a charge to expenditure and a corresponding credit to income, based on the estimated market value.

#### d) **Resources expended**

Resources expended are accounted for on an accruals basis. The inclusion of costs within the various categories of expenditure was made on the following bases:-

##### Costs of generating funds

This category is used to record any costs which are associated with the cost of raising funds from whatever source and will include costs incurred in attracting donations and sponsorship.

##### Investment management fees

The cost of managing the Charity's investment funds is not charged separately by the investment managers but is instead effectively recovered by way of a deduction from the funds based on a precise percentage of their valuation at the end of each quarter. The investment managers are however unable to provide a precise figure for those charges and so, in recognising that there is a cost of the management of those funds, the charity reflects a notional charge and together with a corresponding increase in investment income.



# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 1 Accounting policies (continued)

#### d) Resources expended (continued)

##### Charitable activities

This category is used to record expenditure incurred in fulfilling the Charity's objectives: it includes the payment of monetary grants to beneficiaries, expenditure made in providing beneficiaries with goods and services, and the costs of distributing and administering such direct charitable provision. The cost of such provision, and that in respect of monetary grants in particular, is recognised as it becomes payable according to the charity's rules.

##### Governance

This category comprises costs incurred in the general management of the Charity, as distinct from that concerned directly with the conduct of the Charity's operational activities, and includes those costs associated with ensuring that the Charity complies with applicable laws and regulations, to include the preparation of information required for public accountability.

##### Allocation and apportionment of costs

Expenditure is classified according to the above headings that aggregate all costs related to those categories, whether they be directly attributable or apportioned as such. The bases of the apportionment of costs are consistent with the use of the resources arising from the expenditure.

#### e) Tangible fixed assets

All assets costing over £100 are capitalised subject to considerations as to the likely useful life of each item. Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:-

Freehold interest in office premises	2% per annum
Freehold interest in other land and buildings	1% per annum
Office equipment	20% per annum
Furniture fixtures and fittings	10% per annum
No depreciation is provided on freehold land.	

#### f) Rules of the Charity

The financial statements are prepared in accordance with the Memorandum of Association of the Charity.

#### g) Investments

Investments held as fixed assets are stated at market value less any provision for a permanent diminution in value. Gains and losses on the disposal and revaluation of investments are charged or credited to the Statement of Financial Activities, with those arising on the disposal of investments being shown at the full realised amount under the heading 'Gains and losses on investments', and the adjustment in respect of any previously recognised gains or losses on those holdings being reported within a separate heading together with unrealised gains and losses arising on the revaluation of investment assets.

#### h) Fund accounting

Funds held by the charity as Unrestricted funds are free for the Trustees to use for any purpose in furtherance of the charitable objects as set out in the Charity's Reserves policy. Restricted funds are subject to specific conditions imposed by the donors. At the year end, any restricted fund deficits can be eliminated by a transfer from unrestricted funds unless the Trustees are of the opinion that such deficits will be eliminated by future giving. There are no transfers out of restricted fund unless approval is given by the donors.

#### i) Pension costs

Pension contributions are charged in the financial statements as they become payable.

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 1 Accounting policies (continued)

#### j) Publicity

Costs associated with the objective of raising awareness of the Charity and its profile, particularly within the grocery trade, are included under this sub-heading within Central Fundraising. This policy was adopted on the basis that increasing awareness of the Charity, particularly within the grocery industry, should enhance its relevance and influence and so, in turn, better enable it to raise funds through its various activities.

#### k) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

### 2. Results of the parent undertaking

The gross income and result of the parent charity excluding those of its subsidiary were as follows:

	2014 £	2013 £
Gross income	6,235,637	8,364,917
Net movement in funds	194,220	3,412,585

### 3. Subsidiary undertaking

The charity has a wholly owned trading subsidiary, N.G.B.F. Trading Limited, by virtue of the ownership of that company's entire share capital of 10,000 ordinary £1 shares, to which all voting rights are attached. The subsidiary is incorporated in the U.K., company registration number 2952403. N.G.B.F. Trading Limited receives advertising revenue arising from the publication of the charity's GroceryAidYear Book and may be used to operate certain activities that might be regarded as trading. The subsidiary donates its taxable profit to the National Grocers Benevolent Fund under the Gift Aid scheme. A summary of its trading results for the year to 31st March 2014 is shown below and audited accounts will be filed with the Registrar of Companies.

	2014 £	2013 £
Summary of the Profit and Loss Account:		
Turnover	46,950	48,200
Net profit	41,293	46,041
Gift Aid payment to the National Grocers Benevolent Fund	(41,293)	(46,041)
Retained reserves	-	-

The subsidiary's net assets were comprised as follows:

Debtors	22,680	21,780
Cash at bank	29,427	20,314
Creditors	(42,107)	(32,094)
	10,000	10,000

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 4. Voluntary income – Donations and legacies

	2014 £	2013 £
<b>Donations- unrestricted:</b>		
InVentaBrand Leadership Weekend	308,427	291,880
InVentaBrand President's Dinner	90,571	99,165
InVentaBrand Cook of the Year	20,000	-
The Cadbury Foundation	75,000	75,000
Tesco Clay Pigeon Shoot at High Wycombe	45,526	49,700
Tesco Pro-Am Golf Day	40,000	42,000
Palmer & Harvey Burns Supper	76,732	-
Tesco Kayak competition	-	2,000
Coupons and goods donated for Christmas hampers	197,532	191,335
Marks & Spencer Food Group Charity Ball	96,427	58,000
Hodnet Clay Pigeon Shoot	25,808	-
Diageo Gleneagles Clay Pigeon Shoot	-	35,927
GAP training day	-	29,400
Charles Wilson and Rowena Olegario	95,000	-
J Sainsbury plc	25,000	25,000
J Sainsbury plc Olympic pod	-	5,000
Mars Petfoods	20,000	20,000
Mars Chocolate	50,000	-
Booker	21,000	21,000
The Retail Confectioners & Tobacconists Association	-	7,500
SC Johnson	-	5,000
Accenture - donated services, research work and reporting	5,000	5,000
Diageo	6,500	6,500
Bestway	10,000	10,000
Palmer and Harvey –Curry on Laughing Night	-	6,628
HJ Heinz	5,000	6,115
Mondelez	15,000	5,000
Mondelez HR	25,000	-
Nestlé UK	35,000	5,000
Spar	-	5,000
Sugro UK	5,000	5,000
Ray Hancock Memorial Fund	-	3,893
William Reed Convenience show	-	1,000
The Mulberry Trust	-	1,000
Networks Awareness weeks	1,331	-
JTI	25,000	-
Imperial (London2Paris Cycling)	30,449	-
Palmer & Harvey Goodwood Golf Day	27,905	-
Pro-Retail Raffle	11,341	-
Other	31,903	10,488
	<b>1,421,452</b>	<b>1,028,531</b>
<b>Legacy - unrestricted</b>	-	200
<b>Legacy - restricted</b>	<b>37,586</b>	-
<b>Voluntary income – restricted:</b>		
Donation from Garfield Weston Foundation	15,000	-
Donation from Leverhulme Trade Charities Trust	135,000	75,000

Donated gifts in kind of coupons and goods etc. for hampers included above are £197,532 (2013: £189,399)

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 5. Central fundraising - all Unrestricted

	Income £	Expenses £	2014 Surplus £	2013 Surplus £
Annual Ball	471,151	(179,484)	291,667	279,707
Annual Luncheon	591,926	(284,648)	307,278	311,995
Year Book	46,950	(5,657)	41,293	49,000
GroceryAid Times	-	-	-	14,438
Carol Concert	90,779	(58,754)	32,025	37,823
Windermere Row	100,241	(24,171)	76,070	68,013
President's Quiz Night	137,586	(42,058)	95,528	107,639
Candy Ball	290,437	(120,611)	169,826	-
Goodwood Golf Day	-	-	-	21,813
Burns Supper	-	-	-	97,264
Waterside Dinner event (gifts in kind)	51,500	(51,500)	-	-
Northern Network events	59,551	(37,914)	21,637	18,625
Southern Network events	120,849	(66,264)	54,585	55,569
Scottish Network events	4,498	(3,311)	1,187	4,009
National Five a Side Soccer	32,378	(8,162)	24,216	22,347
London to Paris Bike Ride	201,097	(98,417)	102,680	95,495
Marathons and sponsored runs	5,414	(4,541)	873	11,293
Raffles etc at trade events:				
Retail Industry Awards raffle	9,354	(1,642)	7,712	7,737
Quality Food Awards raffle	10,399	(1,010)	9,389	10,518
 FWD Gold Medal Award Dinner	-	-	-	8,432
IFE gala dinner	10	-	10	1,274
 Outsourcing welfare service to TTBA and Henry Smith Kindred charity	21,796	-	21,796	10,170
Other fundraising income	3,604	(2,664)	940	8,170
	2,249,520	(990,808)	1,258,712	1,241,331
Donated services & support costs:				
Publicity (Communications & PR)	258,933	(314,675)	(55,742)	(59,929)
Central office costs (note 10)		(333,829)	(333,829)	(290,967)
Net Indirect fundraising support costs	258,933	(648,504)	(389,571)	(350,896)
Totals	2,508,453	(1,639,312)	869,141	890,435
Totals prior year	2,440,997	1,550,562	890,435	

Gifts in Kind are included in the fundraising income and expenses above and amount to £464,331(2013: £240,556).

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 5. Central fundraising - all Unrestricted (continued)

Publicity income and expenses includes the estimated value of discounted advertisements placed in various trade publications of £233,313 (2013 £232,567) and related development work by Mercieca Communications Ltd £25,620 (2013 £50,373). This support is to help raise the awareness of the work of the charity and its fundraising efforts.

### 6. Branch fundraising - all Unrestricted

	Income £	Expenses £	2014 Surplus £	2013 Surplus £
Midlands	99,218	(39,775)	59,443	52,256
North East	38,370	(25,968)	12,402	14,003
Northern	549,807	(264,824)	284,983	357,931
Northern Ireland	173,103	(107,306)	65,797	70,957
Scottish	46,291	(29,457)	16,834	35,226
South Coast	261,488	(88,485)	173,003	76,767
Thames Valley	698,553	(198,877)	499,676	396,544
Wessex	-	-	-	12,919
London	-	-	-	3,806
Eastern Counties	5,262	(3,267)	1,995	-
	<b>1,872,092</b>	<b>(757,959)</b>	<b>1,114,133</b>	<b>1,020,409</b>

Gifts in Kind are included in the individual branch fundraising income and expenses above amounting to £182,101 in total (2013 £216,015)

### 7. Investment income

	Unrestricted Funds £	2014 Total Funds £	2013 Total Funds £
Dividend and other investment income	241,713	241,713	172,948
Bank deposit interest receivable	51,291	51,291	87,650
	<b>293,004</b>	<b>293,004</b>	<b>260,598</b>

### 8. Charitable expenditure

	Unrestricted Funds £	Restricted Funds £	2014 Total Funds £	2013 Total Funds £
Monetary grants:				
Quarterly benefit payments	(2,289,434)	(9,817)	(2,299,251)	(1,822,110)
Provision of goods and services in furtherance of the charity's objects:				
Basic Essentials	(127,485)	(24,300)	(151,785)	(131,835)
Emergency assistance	(129,111)	(47,497)	(176,608)	(104,358)
Telephone response systems	(13,540)	-	(13,540)	(13,388)
Mobility	(86,129)	(19,060)	(105,189)	(93,875)
Helpline running costs	(253)	(55,000)	(55,253)	(44,505)
One Off payments	(103,188)	(20,443)	(123,631)	(129,911)
Coupons, goods and sundry costs for Christmas hampers	(197,532)	-	(197,532)	(192,045)
Beneficiary outings	(9,741)	-	(9,741)	(10,487)
Birthday vouchers and TV licences	(39,333)	-	(39,333)	(22,433)
	<b>(706,312)</b>	<b>(166,300)</b>	<b>(872,612)</b>	<b>(742,837)</b>
Support costs: Welfare assessors	(59,117)	-	(59,117)	(50,721)
Central office costs (note 10)	(482,951)	-	(482,951)	(397,294)
Support	<b>(542,068)</b>	<b>-</b>	<b>(542,068)</b>	<b>(448,015)</b>
<b>Total</b>	<b>(3,537,814)</b>	<b>(176,117)</b>	<b>(3,713,931)</b>	<b>(3,012,962)</b>

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 8. Charitable expenditure (continued)

- (i) The grants paid to beneficiaries are all made to individuals to relieve financial hardship and are in accordance with the objects of the Charity.
- (ii) Included within central support costs is a charge of £5,000 relating to research work undertaken on the charity's behalf by the consultancy group Accenture (2013 £5,000). No charge was made for this work and the donation of services provided is included in Donations Income, see note 4.

### 9. Governance costs

	Unrestricted Funds £	2014 Total Funds £	2013 Total Funds £
Share of Support costs (note 10)	(69,668)	(69,668)	(57,999)
Meetings	(304)	(304)	(342)
Auditors	(11,970)	(11,970)	(14,430)
Legal advice	-	-	(1,324)
Trustees' expenses	-	-	-
Trustees' indemnity insurance	(1,721)	(1,721)	(1,721)
	(83,663)	(83,663)	(75,816)

### 10. Support costs

	Central Fundraising £	Charitable activities £	Governance £	Total £
Executive staff	(78,820)	(119,105)	(31,528)	(229,453)
General office staff	(194,957)	(248,090)	(32,692)	(475,739)
Overheads and office facilities	(60,052)	(115,756)	(5,448)	(181,256)
Total allocation	(333,829)	(482,951)	(69,668)	(886,448)
Total allocation, prior year	(290,967)	(397,294)	(57,999)	(746,260)

The costs shown above are not specific to any one activity and have been allocated on the basis of a judgement as to the proportion of time spent on each of the activities.

Included within overheads are fees payable to the charity's auditors totalling £3,176 (2013 £1,229) for services other than the statutory audit, to include consultancy and payroll related services. The cost of the annual audit is shown within Governance costs per note 9.

### 11. Staff costs and Trustees' remuneration

	2014 £	2013 £
Salaries	587,980	487,946
Temp Staff	2,236	-
Employer's National Insurance	58,631	48,907
Pension contributions	51,373	36,019
Health insurance	4,972	4,543
	705,192	577,415
	Number	Number
The number of employees by function was (i)		
Charitable welfare	10.0	9.0
Fundraising	6.0	6.0
Governance	1.0	1.0
	17.0	16.0

- (i) 9 out of the total of 20 employees at the year end are part-time (2013 14 out of 22 employees). These are shown above as full-time equivalent.

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 11. Staff costs and Trustees' remuneration (continued)

- (i) There was 1 employee (2013 1 employee) with emoluments above £60,000 per annum.
- (ii) The pension arrangements operated by the charity are for all members of staff and provide benefits on a defined contribution basis. Contributions paid in accordance with the rules of the scheme are charged to the statement of financial activities as they become payable. The cost for the year was £51,373 (2013 £36,019) and there were no outstanding or prepaid contributions at the balance sheet date.
- (iii) The charity holds an investment bond, valued in the accounts at £11,942 (2013 £13,577), which is used to supplement the pension of a former Director General.
- (iv) Trustees were not remunerated. Trustees received reimbursement for expenses incurred of £0. (2013: £0).
- (v) Funds belonging to the Charity have been used for the purchase of insurance to indemnify the Trustees against the consequences of any neglect or default on their part. The cost recognised for the year in providing that insurance was £1,721 (2013: £1,721).

### 12. Exceptional item: merger expenses

	2014 £	2013 £
Rebranding/awareness/advertising	-	(55,812)
IT/software database integration	-	(5,040)
Employee costs	-	(7,474)
Other costs	-	(6,018)
	-	(74,344)

The above expenses have been incurred in connection with the merger with Sweet Charity (The Confectioners Benevolent Fund) to form a new combined charity called GroceryAid, which took place on 1st September 2012.

### 13. Gains and losses on revaluations and disposals of investment assets

Realised gains and losses	818	2,660
Less unrealised gains previously recognised	(467)	(733)
Unrealised gains and losses arising on valuations	161,757	688,231
Retained reserves	162,108	690,158

### 14. Tangible assets

	Freehold interest in land and buildings £	Office equipment £	Furniture, fixtures and fittings £	Total £
<u>Cost:</u>				
Brought forward	646,779	73,660	7,712	728,151
Additions	-	6,091	-	6,091
Assets contributed by Sweet Charity	-	-	-	-
Disposals	-	(29,641)	-	(29,641)
Carried forward	646,779	50,110	7,712	704,601
<u>Depreciation:</u>				
Brought forward	51,679	55,784	6,232	113,695
Assets contributed by Sweet Charity	-	-	-	-
Charge for year	6,384	5,516	771	12,671
Disposals	-	(29,350)	-	(29,350)
Carried forward	58,063	31,950	7,003	97,016
Net book value carried forward	588,716	18,160	709	607,585
Net book value brought forward	595,100	17,876	1,480	614,456

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 14. Tangible assets (continued)

All of the Charity group's fixed assets were held for functional charity use and other than one freehold property which is retained for direct charitable purpose, all assets are used in the running and administration of the Charity.

The Trustees consider that the market value of the interest in freehold property approximately equates to its book value.

### 15. Investments

	2014 £	Group 2013 £	2014 £	Charity 2013 £
<b>Analysis of Movement of Investments</b>				
Market value at beginning of year	9,704,203	6,555,921	9,714,203	6,565,921
Additions to investments at cost	1,142,142	1,102,104	1,142,142	1,102,104
Investments contributed by Sweet Charity	-	2,359,592	-	2,359,592
Disposals at market value	(2,502,005)	(1,001,645)	(2,502,005)	(1,001,645)
Net gain/(loss) on revaluation	162,108	688,231	162,108	688,231
Market value at end of year	8,506,448	9,704,203	8,516,448	9,714,203
<b>Investments held:</b>				
Listed investments	8,506,448	7,204,198	8,506,448	7,204,198
Investments in subsidiary undertakings	-	-	10,000	10,000
Cash held for investment	-	2,500,005	-	2,500,005
Total investments held	8,506,448	9,704,203	8,516,448	9,714,203
All investment assets held are in the UK and are held primarily to provide an investment return for the charity.				
<b>Movements in unrealised gains/losses on investments:</b>				
Unrealised gains/losses included in brought forward investments	1,248,420	560,922	1,248,420	560,922
Unrealised (gains)/losses realised on disposal of investments	(457)	(733)	(457)	(733)
Unrealised gains/(losses) arising in year	161,757	688,231	161,757	688,231
Unrealised gains/(losses) carried forward	1,409,720	1,248,420	1,409,720	1,248,420
Historical cost	7,096,728	8,455,783	7,106,728	8,465,783
Investment fund carried forward	8,506,448	9,704,203	8,516,448	9,714,203

### 16. Debtors

<b>Current:</b>				
Trade debtors	1,276,320	1,055,506	1,253,640	1,033,726
Amounts due from subsidiary undertaking	-	-	30,772	18,119
Other debtors	2,210	5,528	2,210	5,528
Prepayments	19,666	64,186	19,666	64,186
Accrued income	193,183	285,251	193,183	285,251
	1,491,379	1,410,471	1,499,471	1,406,810
<b>Amounts falling due after more than one year:</b>				
Loans receivable secured on property	11,133	11,133	11,133	11,133
	1,502,512	1,421,604	1,510,604	1,417,943



# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 17. Cash at bank and in hand

	2014 £	Group 2013 £	2014 £	Charity 2013 £
Head office bank accounts	2,328,314	208,990	2,328,314	188,676
Head office bank deposit account	37,642	780,524	37,642	780,524
Trading Co bank account	29,427			
Branch bank accounts	331,267	235,676	331,267	235,676
	2,726,650	1,225,190	2,697,223	1,204,876

### 18. Creditors: amounts falling due within one year

Trade creditors	(106,887)	(173,042)	(106,887)	(173,042)
Amount due to subsidiary co	-		-	
Other creditors	(53,142)	(44,883)	(44,782)	(33,783)
Accruals	(36,214)	(52,575)	(33,239)	(49,700)
Deferred income	(579,848)	(322,069)	(579,848)	(322,069)
	(776,091)	(592,569)	(764,756)	(578,594)

Movement on deferred income balances was as follows:

Balance brought forward	(322,069)	(138,035)	(322,069)	(138,035)
Released to statement of financial activities	322,069	138,035	322,069	138,035
Fund raising proceeds received	(579,848)	(322,069)	(579,848)	(322,069)
Balance carried forward	(579,848)	(322,069)	(579,848)	(322,069)

The current year balance for deferred income has been caused by advanced ticket sales for fund raising events to be held during the next accounting period.

### 19. Commitments under operating lease

At 31 March the Charity had an annual commitment under a non-cancellable operating lease as follows:

	2014		2013	
	Expiring between 2 & 5 years £	Total £	Expiring between 2 & 5 years £	Total £
Office equipment	1,558	1,558	1,558	1,558

### 20. Unrestricted funds

The movement on the unrestricted income fund and the Revaluation reserve is detailed in the Statement of Financial Activities. At the balance sheet date all the Charity's assets and liabilities, other than Cash £34,496 were represented by the unrestricted funds.

### 21. Restricted funds

The Restricted fund reflects the unspent balance of a legacy received during the year, which can only be used for certain categories of our beneficiaries. The balance of £34,496 is held in Cash.

### 22. Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

# NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

## Notes to the Financial Statements for the year ended 31st March 2014

### 23. Reconciliation of Net Incoming Resources to Net Cash (Outflow)/Inflow from Operating Activities

	2014 £	2013 £
Net incoming resources before transfers	194,220	3,412,585
Income from investments	(241,713)	(172,948)
Interest receivable	(51,291)	(87,650)
Unrealised gains and losses arising on valuations	(162,108)	(688,231)
Depreciation	12,671	12,832
Increase in debtors	(80,908)	(717,949)
Increase in creditors	183,522	140,345
Net cash (outflow)/inflow from operating activities	<u>(145,607)</u>	<u>1,898,984</u>

### 24. Reconciliation of Net Cash Flow Movement to Movement in Net Funds

	2014 £	2013 £
Increase/(decrease) in cash in the period	1,501,460	(316,730)
Change in net funds	1,501,460	(316,730)
Net funds at 1 Apr 2013	1,225,190	1,541,920
Net funds at 31 Mar 2014	<u>2,726,650</u>	<u>1,225,190</u>

### 25. Analysis of Changes in Net Funds

	1 Apr 13 £	Cash flows £	31 Mar 14 £
Cash at bank	<u>1,225,190</u>	<u>1,501,460</u>	<u>2,726,650</u>