

GroceryAid®

From factory to store we're your charity



NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**A Company Limited by Guarantee
Registered Charity**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2019

**Registered Charity Number 1095897 (England & Wales) SC039255 (Scotland)
Company Registered in England and Wales Number 04620683**

Registered Office and Principal Address:

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

FRIDAY



A8EE9SL4

A29

20/09/2019

#216

COMPANIES HOUSE

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2019

CONTENTS	Page
Legal and Administrative Details	2
Chairman's Statement	3
Trustees' Report	5
Independent Auditor's report	10
Consolidated Statement of Financial Activities (including Income and Expenditure account)	14
Consolidated and Charity Balance Sheets	15
Group Cash Flow Statement	16
Notes to the Financial Statements	17

**NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
YEAR ENDED 31st MARCH 2019**

LEGAL AND ADMINISTRATIVE DETAILS

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 year and at the time the accounts were signed were:

J H Black	(resigned 31/12/18)
Z M Choudrey CBE	(resigned 07/05/19)
B W Dalla Mura	
J M Gordon	
L D Hendle	
D C Hudson	
N F Matthews OBE	
M P Smith	
R A M Smith	Chairman
H M Tucker	
S J Twigger	(resigned 29/3/19)
J C Uttley	
D C Wheeler	Treasurer
M R Williamson	
L. Stigant	(appointed 24/9/2018)
H Murray	(appointed 24/9/2018)

Life Patrons	Lord Price CVO; Mike Coupe; Paul Monk
President	Andrew Higginson
Vice President	Charles Wilson
Chief Executive	Steve Barnes
Company Secretary	Tim Straker ACIB (resigned 28/03/19) Andy Ward ACA (appointed 01/04/19)
Registered Office	2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire GU47 9DN.
Website	www.groceryaid.org.uk
Email	info@groceryaid.org.uk
Independent Auditors	Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD
Bankers	Lloyds Bank, 24 Broad Street, Reading, Berkshire, RG1 2BT
Investment providers	CCLA Investment Management Limited, London Newton Investment Management Limited, London Rathbone Brothers Plc, London

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

CHAIRMAN'S STATEMENT

It has been a time of change and development at GroceryAid this year with more people helped than ever before by the industry charity. In the 12 months ending 31st March 2019 we supported almost 16,000 grocery colleagues.

I am incredibly proud of the GroceryAid team along with our wonderful group of volunteers who stretch themselves to do incredible things for grocery people in need. I am also humbled by the feedback we receive from beneficiaries which inspires us to work even harder on their behalf.

Our President, Andrew Higginson and Vice President, Charles Wilson provide such important support for GroceryAid. I'm really grateful to both Andrew and Charles who, alongside the President's Fundraising Committee members, have helped us to achieve excellent growth in income generation. We exceeded our target for the year despite the industry continuing to manage significant trading challenges. Many thanks also to our Branches and Networks for their very important contribution.

Whilst our fundraising performance exceeded expectations, this year we made a deficit as we spent more on crisis grants and also incurred one-off costs as we completed our comprehensive investigation into accounting irregularities in one of our volunteer fundraising branches. The additional spend was drawn from our reserves, which we manage carefully but which remain in a healthy position.

We continue to look to increase support from trusts and foundations that have their roots in the grocery industry to help those in need. I am delighted at the support and help we have had from those who we have recognised in the following pages.

In its second year, our advertising campaign "#notbuyingit" helped to increase awareness of the charity and the work that we do. Our annual video, this year "Kelly's Story", was very well received and clearly illustrated the life-changing impact the charity can have on its beneficiaries. It is a powerful and moving film that achieved great cut-through in our industry. We really appreciate the contribution that Kelly and her family have made in allowing us to share her story and the positive impact that has had on our fundraising.

We have made significant changes to our events calendar throughout the year refreshing it by introducing some innovative and different events. Highlights included:

- Barcode Festival: A first grocery industry festival with 1,800 colleagues attending from throughout our industry. This generated over £250,000 for the charity and introduced GroceryAid to a whole new audience (the average age of colleagues attending was 29).
- Diversity and Inclusion in Grocery: A national grocery industry event for 900 colleagues which we ran with the five founding partners of the initiative (Tesco, Mondelez, Accenture, Coca Cola European Partners and Procter & Gamble) at Wembley Stadium.
- Substantial increases in events income from our Sporting Lunch, cycles (London to Paris and Coast to Coast) and the President's Golf Day.

There have been changes to our trustee board over the past 12 months. We have seen three serving trustees stand down after many years of support. I would like to recognise and thank John Black, who stepped down in December, for his superb contribution over decades. John had a long and proud history supporting us and his counsel and wisdom are missed by the trustee board.

I would also like to pay tribute to Simon Twigger who stood down at the end of March. Simon's support in his various industry roles was steadfast and again I am grateful for his notable contribution in shaping GroceryAid into the charity that serves our colleagues so well.

I would also like to thank Zameer Choudrey who stood down at the beginning of May 2019 for his support and contribution to GroceryAid during his time as a Trustee.

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

We have also welcomed two industry colleagues onto our trustee board. Louise Stigant (UK Managing Director – Mondelez) and Helen Murray (Special Projects Lawyer – Morrisons) joined us and I very much looking forward to working with Louise and Helen in the future.

As we look to the future and put a challenging 12 months firmly behind us, our aim is to do our very best to continue to support each and every colleague in need who turn to us. We'll therefore continue to grow our supporter base and raise more funds across our industry, to enable us to achieve this ambition. Thank you very much both for the support you have given to the charity and also for the contribution you choose to make in the future.



Ruston Smith
Chair of GroceryAid Trustees

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

The National Grocers Benevolent Fund, trading as GroceryAid, is a registered charity in England and Wales (registration number 1095897) and Scotland (registration number SC039255) and is constituted as a company limited by guarantee (registration number 04620683). Our objects and powers are set out in our Memorandum and Articles of Association.

The charity is run by 13 serving 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. In addition, the Trustees also meet on an ad hoc basis when required. Steve Barnes, appointed by the Trustees as Chief Executive, manages the day-to-day operations of the charity. He reports to the quarterly Trustee meetings and contributes to the discussions in an advisory capacity. His senior direct reports are Mandi Leonard, Welfare Director, Jane Hill, Fundraising Director and Andy Ward, Finance Director (appointed on 1st April 2019 so immediately after the close of the financial year).

Remuneration for key management personnel is determined by a sub-committee of the Trustee Board - the Remuneration Committee. This committee has specific delegated responsibilities to:

- Set the remuneration policy for directors (salary, pension and benefits) in line with the approach taken for GroceryAid's employees
- Determine salary levels for directors taking into account:
 - Individual directors' capabilities and contribution;
 - Salary levels in other charities of a comparable nature and size;
 - Salary levels across GroceryAid and ratios between executive and employee pay; and
 - Overall appropriateness given charitable purpose, stakeholder perception and affordability.
- Be kept informed by the Chief Executive of any significant changes and key developments in the remuneration arrangements for GroceryAid's employees.

The objectives of our senior remuneration policy are:

- To be able recruit and retain individuals who will lead the successful delivery of our mission, and
- To reward them fairly taking account of their contribution, market levels and levels within GroceryAid.

The Remuneration Committee meets twice annually and is chaired by Helen Tucker.

Various Trustees and industry colleagues sit on six main sub-committees covering welfare, welfare strategy, communications, finance, fundraising and remuneration. 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 two further three-year periods. All GroceryAid Trustees have signed an 'Eligibility to Serve' declaration form, and a Declaration of Interest and Connected Persons form. The possible existence of conflicts of interest is considered prior to the start of every meeting of the Board of Trustees. The Declaration of Interest and Connected Persons forms are completed annually and are held on file at the GroceryAid offices.

New Trustees have worked or currently work in any area within the grocery industry. All nominations are approved by the Board of Trustees and full details of these procedures are set out in the GroceryAid Policy Manual. All new Trustees have a formal induction that covers the role of the charity and what is expected of them in their role as

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

GroceryAid Trustees. Ongoing training for serving trustees takes place on an annual basis. Governance requirements of both Trustees and Senior Management are incorporated into the GroceryAid Policy Manual which forms part of ongoing training and updates at Trustee meetings. The Trustees are planning to review the charity against the requirements of the Charity Governance Code over the coming year.

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 surviving spouses, civil partners 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.

OBJECTIVES & ACTIVITIES

Our vision is that everyone engaged in this trade can turn to us for help. Our long term objectives are to work with the industry to identify and support those in need, to address social isolation through our Helpline, visiting and Carer's initiative and to find new income streams.

FUNDRAISING

The vast majority of the charity's income comes from the industry we work to support. This can be in the form of donations and/or by supporting regional and national fundraising events. The remainder is derived from the charity's investments.

GroceryAid fundraises through industry events organised by its branches and its central fundraising team who on occasion use the services of event management companies to assist in organising events. It also received donations during the year from another charity which organised events for the industry.

No monies are raised by public collections. GroceryAid does not receive any support from either local or central government.

GroceryAid is registered with the Fundraising Regulator and follows the fundraising code. GroceryAid has not received any complaints about its fundraising activities.

ACHIEVEMENTS AND PERFORMANCE

The industry we support experienced tremendous upheaval in the period with restructures, mergers and insolvencies grabbing the headlines. What can be less visible is the impact these changes have on grocery people. We are the only charity that assists both working and retired colleagues from our industry and as such we have a unique insight into the challenges they face. The Trustees are pleased with how the Charity has responded to this challenge by increasing its impact in the following areas:

- GroceryAid provided over £4.25M of support to 15,784 colleagues coping with financial, emotional and physical hardship during the year ended March 2019
- Applications to the charity increased by a further 2% building on the 22% growth in the previous year.
- Our crisis support services are available to all colleagues via our crisis grant programme, which aims to help alleviate emotional or financial hardship when a crisis has knocked somebody's life off track. In FY19, 856 people received crisis grants, an increase of 31% with 92% of those going to people of working age. Our spending on crisis grants was up 43% to a total of £591K. Of the colleagues we support, in total 69% are now of working age.
- Alongside the rapid increase in our support for those working, we continue to ensure we look after our colleagues no longer able to work. Over £2.8M was provided in longer term assistance to colleagues with

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

at least 10 years' service within the grocery industry who meet our eligibility criteria. Our Welfare Volunteers completed 2,054 home visits over the year. Our Trustees also granted two winter fuel payments to every beneficiary taking a lot of worry away from those concerned about the cost of home heating, representing a total payment of £316K by the charity.

- With our long-term beneficiaries not working, we are very aware of the impact that social isolation can have on their wellbeing. We arranged outings and Christmas parties that were attended by a total of 1,182 beneficiaries.
- Calls to GroceryAid's Helpline were up by 10%. Our Helpline provides problem-solving information and emotional support to anybody working in the industry. Last year we were proud to have supported over 12,000 people with this vital service. Demand for our Relate counselling service increased by 8% while we saw a 35% increase in colleagues seeking financial advice and a 24% growth in colleagues accessing our Law Express support service.
- For a second year running, our largest percentage of referrals came from companies in our industry rather than other charities – awareness of GroceryAid is growing where we need it.

FINANCIAL REVIEW

Overall a net deficit of £0.7M was recorded for the year, an improvement of £0.7M from a deficit of £1.4M in the previous year.

Total income for the period amounted to £8.3M, an increase compared to the prior year. This was mainly through increased income from central fundraising activities with a strategic focus on driving contribution from these events. Overall net fundraising contribution increased by £258K compared to the previous year.

Total costs of £9.7M were £0.4M higher than the previous year, this included the one-off costs associated with the comprehensive investigation into accounting irregularities in one of our volunteer fundraising branches.

The deficit for the year is after reflecting the gains/losses from our investments. This year we recorded a £0.6M gain on investments compared to a £0.2M loss in the previous year.

As at 31 March 2019, cash at bank and in hand was £0.8M, up £0.4M in the prior year driven by the improved performance for the period which the Trustees are confident will continue in the year ahead.

Principal Risks

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.

The trustees consider the key risks facing GroceryAid are:

- Income generated from donations and other fundraising activities is insufficient to meet the needs of our beneficiaries. We manage this through review and discussions at each Trustee meeting, through our Fundraising Committee, led by the President of GroceryAid, that has over 50 senior members from the industry who meet three times per year to review and discuss our fundraising efforts.
- An unforeseen rise in the demand for GroceryAid's services result in a significant increase in the applications for help and support. We manage this risk through our Welfare Committee, Finance Committee and the Trustee Board who continually review our financial position.

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

Reserves Policy

The aim of our Reserves Policy is to ensure the sustainability of the Charity.

The Trustees have reviewed the Reserves Policy of the Charity as set out in the GroceryAid Policy Document. Sustainability of the fund is paramount to our beneficiaries. Sustainability of the fund is paramount to our beneficiaries and the Trustees believe that sufficient reserves equal to three years at current payment rates should be in place to cover the most extreme case that fundraising may cease or be dramatically reduced. This equates to requirement of £5M as at 31 March 2019. As at 31st March 2019, GroceryAid's free reserves of £8M (total reserves of £9M less fixed asset related of £1M) equates to 4.4 years. This is above our target.

The Trustees intend to review the reserves policy in 2019/20.

Going Concern

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. They are satisfied that GroceryAid, the charitable company, has adequate resources to continue as a going concern.

INVESTMENT POLICY AND PERFORMANCE

As at 31 March 2019, GroceryAid's investment fund, excluding property, was valued at £8,160,333.

This is held by the Charity to underpin the value of Reserves retained to ensure the Charity's sustainability. The Trustees objective is that the 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 +2% 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.

The GroceryAid Finance Committee is a sub-committee of the Trustee board and 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 2019, 96% of the reserves were invested in four Common Investment Funds. These are: Newton Growth and Income Fund for Charities, Newton Global Higher Income Fund, Rathbone's Core Investment Fund for Charities and CCLA Charities Property Fund. The remaining 4% is held in cash deposits.

With regard to ethical investing, the Trustees continue to be 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.

SUBSIDIARY COMPANY

The Charity has a wholly owned trading subsidiary which is incorporated in the U.K., GroceryAid Trading Limited, company registration No. 2952403. The Company was trading in the financial year with the activities detailed in the financial results. The Charity will continue to use the Trading Company in future years and will continue to review whether certain fundraising activities are more appropriate to the Trading Company

FUTURE PLANS

Strategy and Business Plan

Our priorities for 2019/20 to further our charitable objects and deliver public benefit are to:

- Raise over £4M (net) through fundraising

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2019

- Support all eligible grocery colleagues who turn to us for help
- Ensure the maximum proportion of every pound spent by companies supporting GroceryAid flows through to our beneficiaries
- Drive greater awareness of GroceryAid's services on shop and factory floors throughout our industry

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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 adequate 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.

AUDITORS

A resolution will be proposed at the Annual General Meeting with regard to audit arrangements for the forthcoming financial year.

The charitable company has taken advantage of the small companies' exemptions in preparing this Trustees Report

BY ORDER OF THE TRUSTEES

Ruston Smith (Chairman)



9th July 2019

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

Opinion

We have audited the financial statements of National Grocers Benevolent Fund, trading as GroceryAid for the year ended 31st March 2019 which comprise the consolidated statement of financial activities (including the income and expenditure account), consolidated and charity balance sheets, group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

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

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in trustees' annual report

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require 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's 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 and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

17 September 2019

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 200

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2019**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income from:					
Donations and legacies	4	1,473,482	200,000	1,673,482	1,814,342
Central fundraising	5	4,498,028	-	4,498,028	3,448,073
Branch fundraising	6	1,847,962	-	1,847,962	2,414,590
Investment Income	7	293,623	-	293,623	325,793
Total Income		8,113,095	200,000	8,313,095	8,002,798
Expenditure on:					
Cost of generating funds					
Central fundraising	5	3,398,976	-	3,398,976	2,607,436
Branch fundraising	6	1,234,292	-	1,234,292	1,596,443
Charitable activities					
Grants	8	2,950,756	48,982	2,999,738	3,158,793
Goods and services	8	1,477,036	185,792	1,662,828	1,543,219
Other Expenses	10	359,581	-	359,581	312,165
Total Expenditure		9,420,641	234,774	9,655,415	9,218,056
Net gains/(losses) on investments	15	598,725	-	598,725	(176,302)
Net income/(expenditure) and net movement in funds		(708,821)	(34,774)	(743,595)	(1,391,560)
Reconciliation of funds:					
Total funds brought forward from previous year		9,885,958	34,774	9,920,732	11,312,292
Total funds carried forward		9,177,137	-	9,177,137	9,920,732

The statement of financial activities includes all gains and losses recognised in the period. All of the above amounts relate to continuing activities.

The notes on pages 17-30 form part of these financial statements.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CONSOLIDATED BALANCE SHEET
AT 31ST MARCH 2019**

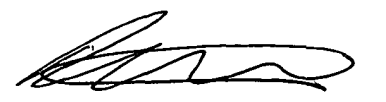
		Group		Charity	
		2019	2018	2019	2018
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	13	1,101,629	1,122,490	1,101,629	1,122,490
Intangible assets	14	43,411	62,708	43,411	62,708
Investments	15	8,160,333	9,020,543	8,170,333	9,030,543
Total fixed assets		9,305,373	10,205,741	9,315,373	10,215,741
Current Assets					
Debtors	16	2,338,032	2,003,083	1,213,783	2,006,828
Cash at bank and in hand	17	801,843	376,238	731,033	362,493
Total current assets		3,139,875	2,379,321	1,944,816	2,369,321
CREDITORS: Amounts falling due within one year	18	(3,268,111)	(2,664,330)	(2,097,365)	(2,664,330)
NET CURRENT ASSETS		(128,236)	(285,010)	(152,549)	(295,010)
NET ASSETS		9,177,137	9,920,732	9,162,824	9,920,732
FUNDS					
Unrestricted income fund	21	7,848,414	8,304,066	7,834,101	8,304,066
Revaluation reserve		1,328,723	1,581,892	1,328,723	1,581,892
Restricted income fund	21	-	34,774	-	34,774
TOTAL FUNDS		9,177,137	9,920,732	9,162,824	9,920,732

These accounts have been prepared in accordance with provisions applicable to companies' subject to the small companies regime within part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees and authorised for issue on the 9th July 2019 and signed on their behalf by:



Ruston Smith, Chair, GroceryAid Trustees



David Wheeler, Treasurer GroceryAid

Charity Number 1095897

Company Number: 04620683

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2019**

		2019	2018
	Note	£	£
NET CASH USED IN OPERATING ACTIVITIES	23	(1,315,806)	(1,505,800)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, Interest and Rents for Investment		293,623	325,793
Purchase of property, plant and equipment		(11,146)	(30,525)
Proceeds from the sale of investments		1,727,791	1,152,000
Purchase of investments		(268,857)	(335,477)
Net cash provided by investing activities		1,741,411	1,111,791
Change in cash and cash equivalents in the reporting period		425,605	(394,009)
Cash and cash equivalents at the beginning of the reporting period		376,238	770,247
Cash and cash equivalents at the end of the reporting period	23	801,843	376,238

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

1. Accounting policies

The principal accounting policies of the charity are as follows:

a) General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire, GU47 9DN.

b) Statement of compliance and basis of preparation

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)), and the Companies Act 2006.

These financial statements have been prepared under the historical cost convention, except for investments which are included at fair value.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity, and are rounded to the nearest £.

c) Method of consolidation

The financial statements consolidate the results and position of the subsidiary undertaking (see note 3) 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 the SORP.

d) Incoming resources

Income is recognised when the charity has entitlement, it is probable that the amount will be received and it can be measured reliably as follows:

Voluntary income

Income from donations is accounted for on a receipt.

Grant income

Grants are recognised when any conditions for entitlement are met. Grants received before the conditions for entitlement have been met are deferred and included in creditors at the year end.

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 probability 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.

e) 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 basis:

Costs of raising 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.

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 when award of the grant has been communicated to the beneficiary. Grants are awarded on an annual basis and are subject to annual review.

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.

f) Creditors

Creditors 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. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

g) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

h) Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

All assets costing over £250 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 buildings	1% per annum
Office equipment	20% per annum
Furniture fixtures and fittings	10% per annum

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

No depreciation is provided on freehold land.

i) **Intangible assets**

All assets costing over £250 are capitalised subject to considerations as to the likely useful life of each item. Intangible 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:

Software	20% per annum
----------	---------------

j) **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are measured at the cash or consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

k) **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Gains and losses on the disposal and revaluation of investments are charged or credited to the Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

l) **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.

m) **Pension costs**

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

n) **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.

o) **Irrecoverable VAT**

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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

2. Results of the parent undertaking

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

	2019	2018
	£	£
Gross income	7,924,194	8,002,798
Net movement in funds	(757,907)	(1,391,560)

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 02952403. N.G.B.F. Trading Limited may be used to operate certain activities that might be regarded as trading. The Trading Company's registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, GU47 9DN. 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 2019 is shown below and accounts will be filed with the Registrar of Companies.

Profit and Loss Account - Summary	2019	2018
	£	£
Turnover	388,900	-
Net Profit and Retained Reserves	14,813	-

The subsidiary's net assets were comprised as follows:

Debtors	1,634,793	
Cash at Bank	70,810	13,776
Creditors	(1,681,290)	(3,776)
Net Assets	24,313	10,000

4. Voluntary Income – Donations and Legacies

	2019	2018
	£	£
Donations - unrestricted	1,473,482	1,614,342
Voluntary Income – restricted:		
Grant from Leverhulme Trade Charities Trust	200,000	200,000
TOTAL	1,673,482	1,814,342

Donated gifts in kind of coupons and goods etc. for hampers included above are £119,575 (2018: £117,425). In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

5. Fundraising – all Unrestricted

Central fundraising	2019		
	<u>Income</u>	<u>Expenses</u>	<u>Surplus</u>
Central fundraising - unrestricted	3,874,068	(2,044,487)	1,918,811
Allocated support costs		(730,529)	(730,529)
PR Marketing	136,225	(136,225)	0
Total current central fundraising	4,010,293	(2,911,241)	1,099,052
Gifts in Kind	487,735	(487,735)	-
Total current year allocation	4,498,028	(3,398,976)	1,099,052

Central fundraising	2018		
	<u>Income</u>	<u>Expenses</u>	<u>Surplus</u>
Central fundraising - unrestricted	3,168,371	(1,726,924)	1,441,447
Allocated support costs		(600,810)	(600,810)
PR Marketing	279,702	(279,702)	0
Total current central fundraising	3,448,073	(2,607,436)	840,637
Gifts in Kind	543,548	(543,548)	-
Total previous year allocation	3,991,621	(3,150,984)	840,637

Indirect fundraising costs includes the estimated value of discounted advertisements placed in various trade publications of £136,225 (2018: £297,702) and related development work. This support is to help raise the awareness of the work of the charity and its fundraising efforts.

6. Branch fundraising

	Income	2019	Surplus	2018
	£	Expenses	£	Surplus
		£		£
Total Branch Fundraising	1,847,962	(1,234,292)	613,670	818,147

Gifts in Kind are included in the individual branch fundraising income and expenses above amounting to £0 in total (2018 £42,613)

7. Investment income

	2019		2018
	Unrestricted Funds	Total Funds	Total Funds
Dividend and other investment income	291,004	291,004	323,682
Bank deposit interest receivable	1,626	1,626	1,117
Other investment income	993	993	994
Total Investment Income	293,623	293,623	325,793

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

8. Charitable expenditure

2019	Unrestricted Funds £	Restricted Funds £	Total Funds £
Monetary Grants	2,284,834	48,982	2,333,816
Provision of goods and services	1,191,641	185,792	1,377,433
Allocated support costs	951,317	-	951,317
Total	4,427,792	234,774	4,662,566

2018	Unrestricted Funds £	Restricted Funds £	Total Funds £
Monetary Grants	2,558,267	61,925	2,620,192
Provision of goods and services	1,158,738	153,650	1,312,368
Allocated support costs	769,432	-	769,432
Total	4,486,437	215,575	4,702,012

The grants paid to beneficiaries are made to individuals to relieve financial hardship in accordance with the objects of the Charity. The provision of goods and services includes one-off crisis payments, provision of basic essentials, helpline facilities, respite and other goods and services in furtherance of the charity's objects.

9. Governance costs

	2019 £	2018 £
Audit – Current year	28,800	37,633
Audit – Relating to Prior year	15,227	
Meetings	255	624
Legal advice	2,280	4,165
Trustees' expenses	371	153
Trustees' indemnity insurance	1,593	1,565
	48,526	44,140

10. Other Expenses

Other expenses in 2018/19 relate to the legal and professional costs incurred in terms of the investigation into accounting irregularities in one of our volunteer fundraising branches.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

11. Support Costs

2019	Central Fundraising £	Charitable Activities £	Governance £	Total
Staff related costs	599,941	457,215	241,365	1,298,521
Direct costs (note 9)			48,526	48,526
Overheads	130,588	192,997	11,214	334,799
Governance costs		301,105	(301,105)	0
Total allocation	<u>730,529</u>	<u>951,317</u>	<u>0</u>	<u>1,681,846</u>

2018	Central Fundraising £	Charitable Activities £	Governance £	Total
Staff costs	422,847	418,930	75,766	917,543
Direct costs (note 9)			44,140	44,140
Overheads	177,963	214,839	15,757	408,559
Governance costs		135,663	(135,663)	0
Total allocation	<u>600,810</u>	<u>769,432</u>	<u>0</u>	<u>1,370,242</u>

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.

12. Staff costs

	2019 £	2018 £
Salaries	924,396	760,864
Temp Staff	148,230	9,221
Employer's National Insurance	94,694	76,426
Pension contributions	71,865	60,170
Health insurance	9,028	3,804
	<u>1,248,213</u>	<u>910,485</u>

The average monthly head count was 23 staff (2018: 22 Staff) and the average monthly number of employees (including casual and part-time staff) during the year was as follows:

	2019	2018
Charitable welfare	11.9	12.1
Fundraising	9.4	8.5
Governance	2.2	1.2
Average Headcount	<u>23.5</u>	<u>21.9</u>

6 out of the total of 25 employees at the year-end are part-time (2018: 6 out of 23 employees). There were 3 employees (2018: 3 employees) with emoluments above £60,000 per annum.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

The number of senior post holders and other staff who receive emoluments, excluding pension contributions but including benefits in kind, in the following ranges were:

	2019	2018
£60,000 to £69,999	1	1
£70,000 to £79,999	-	1
£90,000 to £99,999	1	-
£110,000 to £119,999	-	1
£120,000 to £129,999	1	-

(i) 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 £71,865 (2018: £60,170) and there were no outstanding or prepaid contributions at the balance sheet date.

(ii) The charity holds an investment bond, valued in the accounts at £6,715 (2018: £8,613), which is used to supplement the pension of a former Director General.

(iii) 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 £1,593 (2018: £1,565).

(iv) The key management personnel of the charity comprise the Trustees, Chief Executive, Fundraising Director, Welfare Director and Corporate Services Director & Company Secretary. The total employee benefits of the key management personnel of the charity were £403,017 (2018: £359,547)

13. Tangible assets

	Freehold land and buildings £	Office Equipment £	Furniture, fixtures and fittings £	Total £
Cost:				
Brought forward	1,197,855	73,837	12,316	1,284,008
Additions	-	5,593	753	6,346
Carried forward	1,197,855	79,430	13,069	1,290,354
Depreciation				
Brought forward	104,777	48,096	8,645	161,518
Charge for year	12,212	14,484	511	27,207
Carried forward	116,989	62,580	9,156	188,725
Net book value carried forward	1,080,866	16,850	3,913	1,101,629
Net book value brought forward	1,093,078	25,741	3,671	1,122,490

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 purposes; all assets are used in the running and administration of the Charity.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

14. Intangible assets

	Software £	Total £
<u>Cost:</u>		
Brought forward	118,759	118,759
Additions	4,800	4,800
Disposals	-	-
Carried forward	123,559	123,559
<u>Depreciation</u>		
Brought forward	56,051	56,051
Charge for year	24,097	24,097
Disposals	-	-
Carried forward	80,148	80,148
Net book value carried forward	43,411	43,411
Net book value brought forward	62,708	62,708

15. Investments

	Group		Charity	
	2019	2018	2019	2018
<u>Analysis of Movement of Investments</u>				
Market value at beginning of year	9,020,543	10,013,368	9,030,543	10,023,368
Additions to investments at cost	268,857	335,477	268,857	335,477
Disposals at market value	(1,727,791)	(1,152,000)	(1,727,791)	(1,152,000)
Net gain/(loss) on revaluation	598,724	(176,302)	598,724	(176,302)
Market value at end of year	8,160,333	9,020,543	8,170,333	9,030,543
<u>Investments held</u>				
Listed investments	8,160,333	9,020,543	8,160,333	9,020,543
Investments in subsidiary undertakings	-	-	10,000	10,000
Total investments held	8,160,333	9,020,543	8,170,333	9,030,543

16. Debtors

	Group		Charity	
	2019	2018	2019	2018
Current:				
Trade debtors	1,346,970	1,178,819	580,660	1,178,819
Amounts due from subsidiary undertaking			510,545	3,745
Other debtors	1,500	1,500	1,500	1,500
Prepayments	965,451	447,343	112,967	447,343
Accrued income	16,000	364,288	-	364,288
	2,329,921	1,991,950	1,205,672	1,995,695
 Loans receivable secured on property	 8,111	 11,133	 8,111	 11,133
	2,338,032	2,003,083	1,213,783	2,006,828

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

17. Cash at bank and in hand

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Head office bank current account	701,398	237,364	701,398	237,364
Head office deposit accounts	446	507	446	507
Trading Co bank account	70,810	13,746	-	-
Branch bank accounts	29,189	124,621	29,189	124,621
	801,843	376,238	731,033	362,492

18. Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	(129,373)	(291,195)	(116,097)	(291,195)
Other creditors	(1,215,332)	(1,325,828)	(1,157,929)	(1,325,828)
Accruals	(143,122)	(98,335)	(79,122)	(98,335)
Deferred income	(1,780,284)	(948,972)	(744,217)	(948,972)
	(3,268,111)	(2,664,330)	(2,097,365)	(2,664,330)

Movement on deferred income balances was as follows:

Balance brought forward	(948,972)	(522,714)	(948,972)	(252,354)
Released to statement of financial activities	948,972	522,714	948,972	252,354
Fund raising proceeds received	(1,780,284)	(948,972)	(744,217)	(948,972)
Balance carried forward	(1,780,284)	(948,972)	(744,217)	(948,972)

19. Commitments under operating lease

	2019	2018
	£	£
Office equipment		
Amounts to be paid		
Within 1 year	4,549	5,076
Between 2 - 5 Years	6,897	11,446
Over 5 Years	-	-
	11,446	16,522

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

20. Financial Instruments

The carrying amount of each category of financial instrument is as follows:

	2019	2018
Financial Assets		
Financial assets not discounted	1,371,081	1,635,689
Financial assets measured at fair value	8,160,333	9,020,543
Financial Liabilities		
Financial liabilities not discounted	566,398	(755,746)

The cumulative amortisation on the recognised financial assets and liabilities is £Nil (2018: £Nil).

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

21. 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 were represented by the unrestricted funds.

The Restricted Funds are the unspent balance of the Leverhulme Trade Charities Trust grant received during the year, which can only be used for certain categories of our beneficiaries. All funds were utilised during the year.

GROUP	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
Year to 31 March 2019						
General funds						
Unrestricted income fund	8,304,066	8,113,095	(9,420,641)	598,725	253,169	7,848,414
Revaluation reserve	1,581,892	-	-	-	(253,169)	1,328,723
Total general funds	9,885,958	8,113,095	(9,420,641)	598,725	-	9,177,137
Restricted funds						
Leverhulme Trade Charities Trust	34,774	200,000	(234,774)	-	-	-
Other Trusts	-	-	-	-	-	-
Total restricted funds	34,774	200,000	(234,774)	-	-	-
Total funds	9,920,732	8,313,095	(9,655,415)	598,725	-	9,177,137

CHARITY	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
Year to 31 March 2019						
General funds						
Unrestricted income fund	8,304,066	7,724,194	(9,046,052)	598,725	253,169	7,834,102
Revaluation reserve	1,581,892	-	-	-	(253,169)	1,328,723
Total general funds	9,885,958	7,724,194	(9,046,052)	598,725	-	9,162,825
Restricted funds						
Leverhulme Trade Charities Trust	34,774	200,000	(234,774)	-	-	-
Other Trusts	-	-	-	-	-	-
Total restricted funds	34,774	200,000	(234,774)	-	-	-
Total funds	9,920,732	7,924,194	(9,280,826)	598,725	-	9,162,825

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Notes to the Financial Statements for the year ended 31st March 2019

GROUP AND CHARITY Year to 31 March 2018	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
General funds						
Unrestricted income fund	9,680,051	7,802,798	(9,002,482)	(176,302)	-	8,304,066
Revaluation reserve	1,581,892	-	-	-	-	1,581,892
Total general funds	11,261,943	7,802,798	(9,002,482)	(176,302)	-	9,885,957
Restricted funds						
Leverhulme Trade Charities Trust	30,349	200,000	(195,575)	-	-	34,774
Other Trusts	20,000	-	(20,000)	-	-	-
Total restricted funds	50,349	200,000	(215,775)	-	-	34,774
Total funds	11,312,292	8,002,798	(9,218,057)	(176,302)	-	9,920,732

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.

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

	2019	2018
Net income/(expenditure) for the reporting period	(743,595)	(1,391,560)
Income from investments	(291,997)	(324,676)
Interest receivable	(1,626)	(1,117)
(Gains)/losses on investments	(598,725)	176,271
Depreciation	51,304	44,595
Loss (Profit) on sale of fixed assets	-	4,045
(Increase)/Decrease in debtors	(334,949)	(803,681)
Increase/(Decrease) in creditors	603,782	790,323
Net cash (outflow)/inflow from operating activities	(1,315,806)	(1,505,800)

24. Reconciliation of Net cash Flow Movement in Net Funds

	2019	2018
Increase/(decrease) in cash in the period	425,606	(394,010)
Change in net funds	425,606	(394,010)
Net funds at 1 April	376,237	770,247
Net funds at 31 March	801,843	376,237

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2019

25. Analysis of changes in Net Funds

	01-Apr-18	Cash flows	31-Mar-19
	£	£	£
Cash at bank	376,237	425,606	801,843