

# **The Abbeyfield Research Foundation**

## Annual Report and Accounts



# Contents

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### Annual Report and Accounts

For the year ended 31 March 2017

Reference and Administrative Details	3
Report of the Trustee Directors	4–7
Independent Auditor's Report	8–9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12–14

# Reference and Administrative Details

## **Trustee Directors**

Keith Fowler  
The Rt. Reverend  
Dr Christopher Herbert  
John Robinson CBE  
Cameron Swift  
Stan Choong Fai Chan (from  
20.06.2016)

## **Independent Auditors**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

## **Bankers**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

## **Registered Office**

St Peter's House  
2 Bricket Road  
St Albans  
Hertfordshire  
AL1 3JW

## **Solicitors**

Bates Wells & Braithwaite  
London LLP  
2-6 Cannon Street  
London  
EC4M 6YH

## **Legal Status**

Registered company limited  
by guarantee, No. 9705217  
Registered with the Charity  
Commission, No. 1167685

# Report of the Trustee Directors

**T**he Trustee Directors present their report and the audited financial statements for the year ended 31 March 2017.

## Principal activities

The principal activity of the Abbeyfield Research Foundation (the "Research Foundation") is grant giving to fund research. In 2016/17, the Research Foundation also started to develop its fundraising activity.

## Review of activities

2016/17 was an exciting year for research within the Abbeyfield movement. Three years ago, The Abbeyfield Society ("TAS") started to fund research into issues affecting the care of older people, with the aim of developing practical solutions to improve care. A commitment was given by TAS to invest £300,000 per year in grant giving until 2017/2018. The Research Foundation was established in 2015 to build on this initiative and 2016/17 was its first full year of operation.

The Research Foundation has taken over the management of grants that TAS committed to in the 2014/2015 and 2015/2016 financial years. The responsibilities for these grants, along with the associated resource commitments, were novated or transferred to the Research Foundation on 20 July 2016 (see note 10 on page 14). Grants in 2016/17 and future years will be awarded by the Research Foundation, working through the Academic Research Panel (the "Research Panel"), which is chaired by Professor Cameron Swift.

Since incorporation, the Research Foundation has successfully become a member of the Association of Medical Research Charities (AMRC) and the UK Age Research Forum (UK-ARF).

In 2016/17, two of the initial projects funded completed. These are:

- A pump-priming grant to University of Birmingham on determining the role of phosphatidic acid in old age, and
- A small project grant to Stirling University on the role of volunteers in dementia care.

The results of the studies are being disseminated

via journal publications, conferences and seminars as well as other avenues including open access website. In addition, the pump-priming grant has helped unlocked other funds for further research in the area. It is also the Research Panel's intention to assess whether any changes to practice can be recommended and implemented in the sector as a result.

Fundraising will play an important part in the development of the Research Foundation's strategic aims. We are in the process of building relationships with potential funders who will support the Research Foundation's aims and objectives to enable us to continue to grow and fund more research projects.

The 10-year goal for the Research Foundation is to raise £1m per year, which will be used to continue the commitment to fund research by independent academics. While no further money other than the £300,000 committed by TAS has been raised in 2016/17, being the first full year of operation, we are committed to raising £175,000 in 2017/18.

## The Academic Research Panel

The Academic Research Panel (the "Research Panel") meets twice a year. The first meeting reviews all applications from the annual call for grants which opens in October and closes in January. Once a shortlist has been agreed, stage two applications are invited for submission in May. The Research Panel will include guidance to stage two applicants and these applications are sent for external peer review. These reviews, together with the applications, are discussed in July, following which, grants are awarded to the successful applicants.

Awards are made by considering each proposal against key criteria:

- The scientific merit of the proposal
- The degree of innovation
- The 'fit' with the strategic research priorities of the Foundation
- The strength of the academic team and their expertise within the subject area
- The project's ability to enhance and add to evidence based knowledge within the field, and
- The value for money of the project.

The following currently identified research priorities are provided as a steer for potential applicants, but they are not intended to be taken as either exclusive or exhaustive:

- 1 Progress and quality in the care and support of residents with dementia
- 2 The assessment of need, and of response to care
- 3 Quality and innovation in care provision.

The Research Foundation is particularly keen to support research that effectively crosses boundaries

between organisations, services and professions in the provision of joined up care

#### Grant awards and expenditure

For the year ended 31 March 2017, the Research Foundation awarded new grants totalling £360,456. Details of the grants awarded this year are set out in the table below. Expenditure of £272,218 was recorded in the year in relation to these and other grants awarded in earlier years. A sum of £282,973 remains available to be called on in future years, subject to satisfactory progress being made by grantees at periodical reviews.

Year of first award	New awards in 2016/17 (£)	Grant expense in 2016/17 (£)	Remaining commitments (£)	Institution	Summary of Project
2014/15	–	23,184	0	University of Sheffield	The role of telemedicine in healthcare.
2014/15	–	(3,500)	0	University of Birmingham	The role of phosphatidic acid in old age.
2014/15	–	23,233	0	Aston University	Autobiographical memory training as a preventative strategy in cognitive and social functioning device.
2015/16	–	36,113	29,215	University of Nottingham	Assessment of skeletal muscle mass and synthesis / breakdown in old age.
2015/16	–	(114)	0	University of Stirling	Moving memories: the role and meaning of possessions for people entering care.
2015/16	–	20,000	0	King's College London	A study of handovers at shift changeover in care homes for older people.
2015/16	–	27,810	38,793	University of Edinburgh	Hearing care for older adults in the residential care home environment.
2016/17	22,812	11,406	11,406	University of Worcester	Green dementia care in extra care and residential care settings.
2016/17	13,850	6,925	6,925	University of Southampton	Understanding access to and the value of apprenticeships in care homes.
2016/17	88,768	29,090	59,678	King's College London	Improving faecal incontinence in care homes.
2016/17	87,363	50,707	36,656	University of Sheffield	Development of a dysphagia management protocol in the care home setting.
2016/17	72,663	22,364	50,300	Cardiff University	Investigation of pain and discomfort associated with anti-VEGF injections
2016/17	75,000	25,000	50,000	University of Surrey	Ethical implications of spirituality for care recipients and care givers in residential care for older people.
<b>TOTAL</b>	<b>360,456</b>	<b>272,218</b>	<b>282,973</b>		

## Financial review

Income in 2016/17 consisted of the £300,000 grant from TAS representing TAS's continuing annual commitment to research funding plus a further grant for expenditure in relation to support activities incurred by the Research Foundation in 2015/16 (£30,868) and 2016/17 (£28,697).

As stated earlier, the responsibilities for grants awarded previously by TAS in 2014/15 and 2015/16, along with the funding commitments of £600,000 in those two years, were novated or transferred to the Research Foundation on 20 July 2016. Of the £600,000 funding commitment, £200,000 had been granted to the Research Foundation as income in 2015/16 and a further £169,805 had been paid out to grantees pre-novation; this meant net outstanding funding commitment from TAS of £230,195 was transferred on novation.

In accordance with the Research Foundation's accounting policy on grant expenditure, a provision of £119,369 was created at novation for expected grant expenses to the next progress review and the remaining outstanding funding commitment transferred of £110,826 was recorded as a Designated Fund within reserves. This is set out in note 10 on page 14.

Financial activities in the year generated a net income of £57,931. This was added to opening General Funds of £168,132, from which a sum of £172,146 was transferred to Designated Funds. This left a balance at 31 March 2017 of £282,973 within Designated Funds for estimated future expenses on grants awarded, as well as £53,917 representing General Funds or the free reserves of the Research Foundation. This is set out in the Statement of Financial Activities on page 10. TAS has committed to fund the support activities of the Research Foundation in 2017/18 and hence the trustee directors do not yet consider that a particular level of free reserves is required to be maintained.

## Structure, Governance and Management

The Research Foundation is a company limited by guarantee, incorporated in England and Wales (registered company number 9705217), having no share capital and with solely charitable objectives. The company was incorporated on 27 July 2015 and is

registered in June 2016 with the Charity Commission for England and Wales (registered charity number 1167685). The sole member of the charitable company is The Abbeyfield Society.

The charitable objects of the Research Foundation, contained within its articles of association, are to advance the education of the public in all subjects relating to elderly persons or old age including their health and wellbeing in particular but not exclusively by the promotion of research and the dissemination of the useful results of such research.

The directors of the Research Foundation are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustee directors. The trustee directors met four times in the past year. Potential new trustee directors are assessed through formal interview by the Nominations Committee of The Abbeyfield Society. The formal programme for trustee director induction comprises, amongst other things, information on the powers and responsibilities of the trustee directors including board meetings and the grant-making process.

The names of persons who were trustee directors at any time during the year are as follows:

- John Robinson CBE (Chair)
- Professor Cameron Swift (Chair of the Academic Research Panel)
- The Rt. Reverend Dr Christopher Herbert
- Keith Fowler
- Stan Choong Fai Chan (from 20/06/2016)

The names of persons who were members of the Academic Research Panel at any time during the year are as follows:

- Professor Cameron Swift (Chair), King's College London
- Professor Antony Bayer, Cardiff University
- Professor John Gladman, Nottingham University
- Professor Steve Iliffe, University College London
- Professor Robin Means, Bristol University

- Professor Christopher Phillipson, Manchester University
- Dr Julie Whitney, King's College London
- April Dobson – Head of dementia innovation The Abbeyfield Society (Lay Member)
- Paul Buckle – Homes manager The Abbeyfield Society (Lay Member)

### **Directors' responsibilities**

The trustee directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### **Public benefit**

The trustee directors have given due consideration to Charity Commission guidance on the operation of the public benefit requirement and are satisfied that the work of the Abbeyfield Research Foundation meets that requirement.

### **Disclosure of information to auditors**

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors' are unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

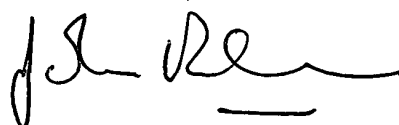
### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

### **Independent auditors**

The auditors, BDO LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The report of the Trustee Directors was approved on 19 July 2017 and signed on behalf of the Trustee Directors by:



**John Robinson CBE**  
Trustee Director

# Independent Auditor's Report to the Members of The Abbeyfield Research Foundation

**W**e have audited the financial statements of The Abbeyfield Research Foundation for the year ended 31 March 2017 which comprise the statement of comprehensive income, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, the information given in the report of the Trustee Directors for the financial year for which the financial statements are prepared is consistent with the financial statements and the report of the Trustee Directors has been prepared in accordance with applicable legal requirements.

Based on our knowledge and understanding of the company and its environment obtained during the course of the audit we have identified no material misstatements in the annual report or the report of the Trustee Directors.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the society and its environment obtained during the course of the audit, we have not identified any material misstatements in the report of the Trustee Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

**Elizabeth Kulczycki (senior statutory auditor)**

For and on behalf of BDO LLP, statutory auditor  
Gatwick

~~19 July~~ 2017

3 August

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# The Abbeyfield Research Foundation

## Statement of Financial Activities

For the year ended 31 March 2017

	Note	General Funds 2017 £	Designated Funds 2017 £	Total Funds year ended 31 March 2017 £	Total Funds 8 month period ended 31 March 2016 £
<b>Incoming resources</b>					
Gift income	2	359,565	–	359,565	200,000
<b>Total incoming resources</b>		<b>359,565</b>	<b>–</b>	<b>359,565</b>	<b>200,000</b>
<b>Resources expended</b>					
Charitable activities: Research	3	(272,218)	–	(272,218)	–
<b>Cost of grant making</b>		<b>(272,218)</b>	<b>–</b>	<b>(272,218)</b>	<b>–</b>
Administrative costs	4/5	(29,416)	–	(29,416)	(31,868)
<b>Total resources expended</b>		<b>(301,634)</b>	<b>–</b>	<b>(301,634)</b>	<b>(31,868)</b>
<b>Net incoming resources before transfers</b>		<b>57,931</b>	<b>–</b>	<b>57,931</b>	<b>168,132</b>
Gross transfers between funds		(172,146)	172,146	–	–
Transfer in on novation		–	110,827	110,827	–
<b>Net movement in funds</b>		<b>(114,215)</b>	<b>282,973</b>	<b>168,758</b>	<b>168,132</b>
Reconciliation of Funds					
Total Funds brought forward		168,132	–	168,132	–
<b>Total Funds carried forward</b>		<b>53,917</b>	<b>282,973</b>	<b>336,890</b>	<b>168,132</b>

All activities are continuing, and all amounts are unrestricted funds.

The Company has no changes in equity other than total comprehensive income for the period, and therefore no separate Statement of Changes in equity has been presented.

The notes on pages 12 — 14 form part of the financial statements.

## Balance Sheet

As at 31 March 2017

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	6	72,756	169,132
Cash and cash equivalents		552,139	5,000
		<b>624,895</b>	<b>174,132</b>
Creditors: amounts falling due within one year	7	(288,005)	(6,000)
<b>Net assets</b>		<b>336,890</b>	<b>168,132</b>
<b>Funds of the charity</b>			
Unrestricted funds:			
– General fund and free reserve		53,917	168,132
– Designated fund		282,973	–
<b>Total funds of the charity</b>		<b>336,890</b>	<b>168,132</b>

The financial statements on pages 10 to 14 were approved by the Trustee Directors on 19 July 2017 and were signed on its behalf by:



**John Robinson CBE**  
Trustee Director

The notes on pages 12 — 14 form part of the financial statements.

# **The Abbeyfield Research Foundation**

## **Notes to the Financial Statements**

for the year ended 31 March 2017

### **1. Accounting policies**

#### **Basis of preparation**

The Abbeyfield Research Foundation is a company limited by guarantee incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of its operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

Management does not believe that the preparation of these financial statements has required the use of any critical accounting estimates.

The qualifying entity exemptions which the Company has taken advantage of are as follows:

- the requirements of section 3 Financial Statement Presentation paragraph 3.17(d) and
- the requirements of Section 7 Statement of Cash Flows
- the requirements of Section 33 Related Party Disclosures paragraph 33.7

This information is included in the consolidated financial statements of The Abbeyfield Society as at 31 March 2017.

The following principal accounting policies have been applied:

#### **Going Concern**

The Trustee Directors considers that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. The Trustee Directors have reviewed the business plan and on the basis of this information are satisfied that the Company is a going concern for at least 12 months from the date of signing the financial statements.

The Trustee Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, The Abbeyfield Society. It is the intention of The Abbeyfield Society to continue this support in the foreseeable future thereafter.

#### **Income**

Income comprises only the receipt of grants from the ultimate parent company, The Abbeyfield Society, plus expenses incurred by the company but settled or waived by its parent. Grant income is recognised when approved at a meeting of the Board of The Abbeyfield Society Ltd, the ultimate parent undertaking.

All income is recognised on a receivable basis.

## Expenditure

### Grant commitment accounting

Each grant commitment is dependent on the satisfactory outcome of a review which, for most grants, is carried out annually. Consequently, for these grants, expected payments to the next performance review are recognised as an expense and a liability in the financial statements. The balance of the potential grant commitments not provided for is disclosed as a contingent liability and identified as a Designated Fund.

### Taxation

No current or deferred tax has been recognised. The directors do not expect any tax consequences of any current or future transactions.

## 2. Income

	2017 £	2016 £
Grants received from The Abbeyfield Society	300,000	200,000
Other income – expenses settled and waived by The Abbeyfield Society	59,565	–
	359,565	200,000

## 3. Grant expenses

The grant expenses of the Company are set out in more detail in the Trustee Directors' report on pages 4 to 7.

## 4. Staff costs and Trustee Directors' emoluments

No remuneration was paid to any of the Trustee Directors for the period by the company. The company had no employees throughout the year.

Some administrative duties were carried out by The Abbeyfield Society, the ultimate parent undertaking.

## 5. Net income

	2017 £	2016 £
The net income is stated after charging Auditor's remuneration (including VAT):		
BDO LLP fees for the audit of the Company's annual financial statements – current period	3,000	6,000

## 6. Debtors

	2017 £	2016 £
Amounts due from parent undertaking	72,756	169,132

## 7. Creditors: amounts fallings due within one year

	2017 £	2016 £
Others Creditors and Accruals	288,005	6,000

## 8. Contingent liability

As set out in the accounting policies, the Company recognises as contingent liabilities grant commitments made but not yet settled nor provided for.

As at 31 March 2017, the value of contingent liabilities in respect of such commitments amount to £282,973.

## 9. Parent undertaking and ultimate parent undertaking

The ultimate parent undertaking is The Abbeyfield Society, a company incorporated in England and Wales and registered with the Homes and Communities Agency (registration no.H1046). The Abbeyfield Society is the parent undertaking of the largest and smallest group for which group accounts are drawn up which include the Company. The consolidated financial statements of The Abbeyfield Society are available from The Abbeyfield Society, St Peter's House, 2 Bricket Road, St Albans, Hertfordshire, AL1 3JW.

## 10. Novation of research grants

On 20 July 2016, agreement between The Abbeyfield Society ("TAS") and The Abbeyfield Research Foundation ("ARF") was reached to novate the research grant rights and obligations of TAS to ARF. A summary of the balances transferred are shown below:

	£
TAS grant funding commitments in FY2015 & FY2016	600,000
Less:	
- Granted to ARF as income in FY2016	(200,000)
- Paid by TAS to grantees to date of novation	(169,805)
Outstanding funding commitments transferred to ARF	230,195
Applied in ARF as:	
- Provision for committed grant liabilities at novation	119,369
- Designated fund for future grant expense not yet committed	110,826
	<b>230,195</b>

THE Abbeyfield  
**RESEARCH**  
FOUNDATION

The Abbeyfield Research Foundation  
St Peter's House  
2 Bricket Road  
St Albans  
Hertfordshire  
AL1 3JW

Registered Company No. 9705217  
Registered Charity No. 1167685