

TIGH A'CHOMAINN CAMPHILL LIMITED

**REGISTERED CHARITY NUMBER SC003220
COMPANY NUMBER SC103792**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

**MESTON REID & CO
CHARTERED ACCOUNTANTS
12 CARDEN PLACE
ABERDEEN
AB10 1UR**

TIGH A'CHOMAINN CAMPHILL LIMITED

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TIGH A'CHOMAINN CAMPHILL LIMITED

COUNCIL MEMBERS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The Council of Management present their report and financial statements for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The principle activity of the charity is to make provision of a residential environment to adults who find it difficult, because of learning or physical disabilities, to adapt themselves to the routine and responsibilities of working life.

The charity's aim is to support and assist adults with additional needs in exploring their personal potential and their limitations so that they may find purpose, direction and a sense of fulfilment in their lives.

Co-worker members of the community worked throughout the year without salary, receiving only their board and lodgings and an allowance towards their own expenses and those of their families.

The charity makes provision for co-workers who are active in the Camphill movement but do not provide direct support to adults with additional support needs.

The charity has continued to work towards its core purpose:

- Creating a home together and creating meaningful inclusion
- Supporting and caring for each other (health and wellbeing)
- Looking after our environment
- Supporting each others personal development through learning and meaningful workshops
- Maintaining our interest in and developing our relationships with other Camphill Communities

This has been achieved by actively working with our Guiding Vision Statement:

- Endeavour to work out of the principles of Anthroposophy
- Motivate and support development
- Provide stability and a supportive home
- Offer time to listen and respond
- Work to ensure that all feel involved
- Enable through encouragement
- Respect rights and responsible decision making

Our theme for this year has been:

- Growing together
- Meeting future challenges

Our focus for the following year will be:

- Developing our governance – recruiting to our board and reviewing our structures
- Responding to legislation and Brexit/GDRP
- Working with our emerging quality assurance framework in order to improve our practice throughout our organisation
- Maintain our interest in and develop our relationships with other Camphill Communities by working closely with Camphill Scotland and the Association of Camphill Communities
- Further develop our person centred planning and practices
- Developing our Co-worker and staff training
- Maintaining and developing our links across Camphill and other organisations

TIGH A'CHOMAINN CAMPHILL LIMITED

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

Our impact

Tigh a'Chomainn operates a strong business to support our charitable activities.

We do this by:

Managing our costs well, we bring good value to the charity, those we support, and the funders.

We work proactively to understand future developments and challenges in the sector and to manage our business accordingly.

We continue to work with our business planning in order to address the undervaluation of our services. Our 2015 business plan established that the fee paid by funders for placements at Tigh a'Chomainn was below the national average for similar placement types in Scotland. The low fee has the potential to expose Tigh a'Chomainn to unexpected events and has meant that we have not been able to build reserves for re-investment at the rate we would have hoped for.

During the financial year 2016-2017 we undertook a financial processes review supported by Meston Reid & Co.

During the same period we have worked to implement new accounting procedures including a new book keeping and accounting software package.

During the year the focus of our spending has been on renovating and maintaining the fabric of our buildings and providing a new office space so that all administrative functions can be performed outside of the home/living environments.

We support

We support:

- Nine residents placed by four Scottish Local Authorities
- Four elder individuals through our affordable housing provision and as part of our Community

We increased the size of our provision adding two fee paying permanent resident bed spaces in 2015/16 and one more in 2016/2017 meaning that we now have ten bed spaces. All will be occupied at January 2018.

We continue to offer good value to local authorities placing with us due to our distinctive model of care. This was evidenced by the Quality Assessments research commissioned by Camphill Scotland which showed that:

- Parents and carers may be reassured that scrutiny by the Care Inspectorate shows the Camphill Communities to be offering services of the highest quality nationally.
- The Care and Support provided by the Communities are very good.
- The distinctive Environments, Staffing and Leadership models of the Communities underpin this quality of service and are sector leading

The report can be found at <https://www.camphillscotland.org.uk/wp-content/uploads/2017/04/QGradings-parents-digital.pdf>

Tigh a'Chomainn received very good and excellent quality gradings from the Care Inspectorate at our most recent inspection.

“During the inspection we spoke and observed all nine service users, who spoke highly of the service. They told us that co-workers were very supportive, and helped them to maintain good social skills. The service users appeared relaxed and happy with the care provided.” Care Inspectorate

We continue to build on our development planning, the aim being to provide a mix of accommodation options in the future both to our existing residents and new residents.

Tigh a'Chomainn has a waiting list.

TIGH A'CHOMAINN CAMPHILL LIMITED

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Creating a home together

During the year we have celebrated birthdays and seasonal festivals as a Community.

Individuals have been supported to explore their interests e.g. going to the cinema, going to town and going on holiday.

We continue to work with Social Pedagogy to develop our professional practice.

A meaningful working life

Tigh a'Chomainn supports individuals to attend day placements across a range of options. This is always led by the individuals concerned and funded directly by the placing authority. This year we have engaged with the following providers:

The Seed Box, A Horticultural and Outdoor Therapy Centre situated on Deeside (<http://www.theseedbox.org.uk>)

Foxlane Garden Centre, Foxlane was set up to provide an alternative provision for individuals whose needs were not being met in traditional day service provision. (<http://www.fox-lane.net>)

Newton Dee (A Camphill Community), offers a home, meaningful work and opportunities for personal development to adults with learning disabilities and other special needs. (<https://www.camphillscotland.org.uk/community/newton-dee/>)

Training

Co-workers have engaged in a variety of training during the year. This included designing and leading the Discovering Camphill course (a national course offered across the Scottish region), to practical courses such as food hygiene and first aid to professional development including the Mental Health Seminar and leadership and succession training.

Financial review

The surplus for the year on unrestricted funds was £46,338 (2016 - surplus of £16,058) with a restricted funds deficit of £699 (2016 - deficit of £8,521). Total income increased during the year from £244,232 to £281,623. Expenditure decreased from £236,695 to £235,984.

The Council of Management continue to monitor costs closely and believe that fee rates for 2017/18 should be sufficient to enable the charity to continue to operate successfully, on a full occupancy basis.

The charity does not formally set aside funds in financial statements other than the general fund but the Council of Management is aware of asset replacement requirements and has informally allocated funds within the general fund to cover such requirements. In addition, the charity received a grant from the Scottish Executive in earlier years which was restricted to financing specific training requirements of co-workers.

Tigh A'Chomainn is an essential part of the care sector in the Aberdeen area. Therefore, it is considered prudent to maintain a reserve fund with the following principles:

- After basic operational costs have been met any surplus is put into the reserve fund. This fund is unrestricted and can be spent in any way in which Tigh A'Chomainn sees fit. It is also referred to as the 'general' fund.
- A reserve fund is a core element of the contemporary Tigh A'Chomainn financial model in order that where there is a funding shortfall the fund can facilitate continued operation, adjust to changing circumstances and, where necessary, facilitate the orderly winding up of the charity. This includes, the cost of leaving packages for staff and funds to cover any remaining debts.
- Level: 6 months target and in accordance with public interest. As authorised by the council of management. (In Scotland, charities have, on average, around eleven months of reserves. SCVO Sector Stats 2014 p.12).
- Surplus: in the case where the reserve fund is in excess of the target level, these funds shall be used to improve the service provided and for the betterment of the charity as a whole, in accordance with the objectives of Tigh A'Chomainn.

TIGH A'CHOMAINN CAMPHILL LIMITED

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

In principle, the reserve fund is not to be used to cover a shortfall in fee income. Exceptionally, however, where the fee income shortfall is temporary and the deficit will be recovered, use of the reserve fund may be authorised by the council of management.

The charity is financed by local authorities purchasing places for their residents. The charity faces the same uncertainties as other services providers, in relation to demand for its services and levels of funding from year to year. However, the charity is a well-established service with a good reputation, and there are presently no grounds for concern in relation to the continuation of funding.

The charity does not participate in any formal fundraising activities other than securing residential placements.

The council members have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place, where possible, to mitigate the charity's exposure to major risks and identify and deal with any new risks as they appear.

Arrangements are in place for the management of health and safety and the amelioration of potential risks. There were no significant accidents or incidents during the year.

The Community continues planning to increase its ability to support individuals in their own tenancies by identifying suitable properties and working partners.

Structure, governance and management

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association and recognised as a charity by the Office of the Scottish Charity Regulator in accordance with the provisions of The Charities and Trustee Investment (Scotland) Act 2005. In accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up.

As set out in the Articles of Association, the council members may appoint further members up to a maximum of 20 as and when it is desired.

The Council of Management, under delegation from the directors, meet at least bimonthly to administer the charity.

The following are connected to the charity through their association within the Camphill movement:

- Beannachar Limited, Banchory Devenick
- Camphill Medical Practice Limited, Bielside
- Camphill (Rudolf Steiner) Estates Limited, Bielside
- Camphill Rudolf Steiner Schools Limited, Bielside
- Camphill Scotland, Edinburgh
- Camphill Social Fund Limited, Peterculter
- Newton Dee Camphill Community Limited, Bielside
- Simeon Care for the Elderly Limited, Bielside

TIGH A'CHOMAINN CAMPHILL LIMITED
COUNCIL MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

Reference and administrative information

Charity name	Tigh A'Chomainn Camphill Limited
Charity number	SC003220
Company number	SC103792
Secretary	Brodies Secretarial Services Limited
Principal address	4 Craighton Crescent Peterculter Aberdeenshire AB14 0SB

Registered office

Brodies LLP, Solicitors, 31-33 Union Grove, Aberdeen, AB10 6SD

Auditors

Meston Reid & Co, 12 Carden Place, Aberdeen, AB10 1UR

Bankers

The Royal Bank of Scotland plc, 78 Union Street, Aberdeen, AB10 1HH

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Brodies LLP, Brodies House, 31-33 Union Grove, Aberdeen, AB10 6SD

TIGH A'CHOMAINN CAMPHILL LIMITED

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Council Of Management

The Council of Management, who are also the directors for the purpose of company law, and who served during the year were:

L Alfred

A Busch

(Resigned 1 January 2017)

T Marx

S Newbatt

A Shoemark

M Swerling

A Thomson

Statement of council members' responsibilities

The Council of Management, who are also the directors of Tigh A'Chomainn Camphill Limited for the purpose of company law, are responsible for preparing the Council Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Council of Management are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with section 485 of the Companies Act a resolution will be submitted to the annual general meeting proposing the reappointment of Meston Reid & Co as auditors.

Disclosure of information to auditor

Each of the Council of Management has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

TIGH A'CHOMAINN CAMPHILL LIMITED
COUNCIL MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

The council members' report was approved by the Board of Council Of Management.


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A Shoemark
Council member
24/4/17.....

TIGH A'CHOMAINN CAMPHILL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TIGH A'CHOMAINN CAMPHILL LIMITED

We have audited the financial statements of Tigh A'Chomainn Camphill Limited for the year ended 31 March 2017 set out on pages 10 to 21. 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), including Financial Reporting Standard 102.

This report is made solely to the charitable company's members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under those Acts. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council of Management and auditor

As explained more fully in the statement of council members' responsibilities set out on pages 1 - 7, the Council of Management, who are also the directors of Tigh A'Chomainn Camphill Limited for the purposes of company law, are responsible for the preparation of the council members' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 20 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council of Management; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Council Members' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

TIGH A'CHOMAINN CAMPHILL LIMITED

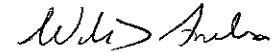
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TIGH A'CHOMAINN CAMPHILL LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

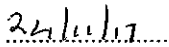


William Anderson BA CA (Senior Statutory Auditor)
for and on behalf of Meston Reid & Co

Chartered Accountants

Statutory Auditor

12 Carden Place
Aberdeen
AB10 1UR



TIGH A'CHOMAINN CAMPHILL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:						
Donations and legacies	3	15,115	-	-	15,115	16,193
Charitable activities	4	266,508	-	-	266,508	227,596
Investments	5	-	-	-	-	3
Other income		-	-	-	-	440
Total income		<u>281,623</u>	<u>-</u>	<u>-</u>	<u>281,623</u>	<u>244,232</u>
Expenditure on:						
Charitable activities	6	235,285	-	699	235,984	236,695
Net incoming/(outgoing) resources before transfers		<u>46,338</u>	<u>-</u>	<u>(699)</u>	<u>45,639</u>	<u>7,537</u>
Gross transfers between funds		3,900	(3,900)	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>50,238</u>	<u>(3,900)</u>	<u>(699)</u>	<u>45,639</u>	<u>7,537</u>
Fund balances at 1 April 2016		<u>102,269</u>	<u>26,604</u>	<u>874</u>	<u>129,747</u>	<u>122,210</u>
Fund balances at 31 March 2017		<u><u>152,507</u></u>	<u><u>22,704</u></u>	<u><u>175</u></u>	<u><u>175,386</u></u>	<u><u>129,747</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TIGH A'CHOMAINN CAMPHILL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	10		45,697		26,509
Current assets					
Debtors	12	35,676		24,701	
Cash at bank and in hand		116,471		100,571	
		<u>152,147</u>		<u>125,272</u>	
Creditors: amounts falling due within one year	13	<u>(22,458)</u>		<u>(22,034)</u>	
Net current assets			129,689		103,238
Total assets less current liabilities			<u>175,386</u>		<u>129,747</u>
Income funds					
Restricted funds	15		175		874
Unrestricted funds:					
Designated funds	16	22,704		26,604	
General unrestricted funds		<u>152,507</u>		<u>102,269</u>	
			175,211		128,873
			<u>175,386</u>		<u>129,747</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Council Of Management on 24/11/17.....



A Shoemark
Trustee

Company Registration No. SC103792

TIGH A'CHOMAINN CAMPHILL LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	21		38,201		22,517
Investing activities					
Purchase of tangible fixed assets		(22,301)		(11,417)	
Interest received		-		3	
Net cash used in investing activities			(22,301)		(11,414)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			15,900		11,103
Cash and cash equivalents at beginning of year			100,571		89,468
Cash and cash equivalents at end of year			116,471		100,571

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Tigh A'Chomainn Camphill Limited is a private company limited by guarantee incorporated in Scotland. The registered office is Brodies LLP, Solicitors, 31-33 Union Grove, Aberdeen, AB10 6SD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities Accounts (Scotland) Regulations 2006 (as amended) only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Council of Management have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Council of Management continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council of Management in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Council of Management for particular purposes as detailed in note 16 to the financial statements.

Restricted funds are subject to restrictions on their expenditure as detailed in note 15 to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

Income from charitable activities represents fees, contributions and grants received and are attributable to the charity's principal activity. Such income is recognised when receivable.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of charitable expenditure comprises the costs associated with the charity's principal activities and are accounted for when payable. It also includes support costs which represent the staffing and associated costs of supporting and monitoring the operations programmes for which the charity is responsible. In addition, governance costs which represent expenditure associated with meeting the constitutional and statutory requirements of the charity, and include accountancy fees and costs linked to the strategic management of the charity, are included in the costs of charitable expenditure.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset when it is complete or in use at the year end over its expected useful life, as follows:

Tenants improvements	over the period of the lease
Plant and machinery	20% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All other fixed assets are written off in the year of purchase.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Council of Management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	15,115	16,193
	<u>15,115</u>	<u>16,193</u>

Income from donations and legacies has been treated as an unrestricted income in both the current and previous year.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017	2016
	£	£
Fee income	266,508	227,596
	<u>266,508</u>	<u>227,596</u>
	<u><u>266,508</u></u>	<u><u>227,596</u></u>

Income from charitable activities has been treated as unrestricted income in both the current and previous year.

5 Investments

	2017	2016
	£	£
Interest receivable	-	3
	<u>-</u>	<u>3</u>
	<u><u>-</u></u>	<u><u>3</u></u>

Investment income has been treated as unrestricted income in both the current and previous year.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Charitable activities

	2017	2016
	£	£
Depreciation and impairment	3,113	2,865
Co-worker costs	47,836	38,780
Property costs	77,802	83,423
Supplies and services	46,185	46,171
Transport costs	11,841	10,164
Office support costs	12,799	19,272
Legal and professional fees	8,779	9,822
Other costs	27,629	26,198
	<u>235,984</u>	<u>236,695</u>
Analysis by fund		
Unrestricted funds - general	235,285	
Restricted funds	699	
	<u>235,984</u>	
For the year ended 31 March 2016		
Unrestricted funds - general		228,174
Restricted funds		8,521
		<u>236,695</u>

Legal and professional fees includes audit fees of £4,401 (2016 - £4,980).

7 Council Of Management

The members of Council, who are directors for Companies Act purposes, comprise both resident and non-resident members. The resident members are co-workers who live and work within Tigh A'Chomainn Camphill Limited. Co-workers are provided with living accommodation and daily essentials by the charity. The co-workers live with the residents and all purchasing is done centrally. It is therefore not possible to put a valuation of the specific cost of providing co-workers with accommodation and associated services. The resident members of the Council receive no remuneration from the charity. Non-resident members are not paid any remuneration or expenses for attending Council meetings.

The number of council members for whom retirement benefits are accruing under these schemes amounted to 3 (2016 - 3).

The charity has made contributions to council members' stakeholder pension schemes on behalf of T Marx and M Swerling amounting to £2,400 (2016 - £2,400) and £2,373 (2016 - £2,400) respectively. The charity also paid national insurance contributions on behalf of T Marx and M Swerling amounting to £nil (2016 - £50) and £nil (2016 - £50) respectively. No amounts were outstanding at the end of the current or previous year.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Employees

There were no salaried employees during the year.

Members of the community have worked throughout the year without salary, receiving only their board and lodgings and an allowance towards their own expenses and those of their families.

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Tangible fixed assets

	Tenants improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 April 2016	17,769	1,250	20,055	39,074
Additions	12,681	-	9,620	22,301
	<u>30,450</u>	<u>1,250</u>	<u>29,675</u>	<u>61,375</u>
At 31 March 2017				
Depreciation and impairment				
At 1 April 2016	-	354	12,211	12,565
Depreciation charged in the year	-	250	2,863	3,113
	<u>-</u>	<u>604</u>	<u>15,074</u>	<u>15,678</u>
At 31 March 2017				
Carrying amount				
At 31 March 2017	<u>30,450</u>	<u>646</u>	<u>14,601</u>	<u>45,697</u>
At 31 March 2016	<u>17,769</u>	<u>896</u>	<u>7,844</u>	<u>26,509</u>

11 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>27,794</u>	<u>20,909</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>22,458</u>	<u>22,034</u>

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	27,794	20,909
Prepayments and accrued income	7,882	3,792
	<u>35,676</u>	<u>24,701</u>

13 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	14,142	9,961
Other creditors	943	3,492
Accruals and deferred income	7,373	8,581
	<u>22,458</u>	<u>22,034</u>

14 Limited liability

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the charity being wound up. At 31 March 2017 there were 6 members.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Incoming resources	Resources expended	£
		£	£	
Training grant fund	175	-	-	175
Awards For All Grant	699	-	(699)	-
	<u>874</u>	<u>-</u>	<u>(699)</u>	<u>175</u>

The Training grant fund represents a grant from the Scottish Executive to be used for training two co-workers to attain qualifications and register as managers with The Scottish Social Services Council.

The Awards For All grant fund represents a grant from the Big Lottery Fund to be used to fund a feasibility study and business plan to clarify if increased accommodation options and support are a future consideration for the organisation. The grant is to fund consultancy fees and travel.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

16 Designated funds

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

	Balance at 1 April 2016 £	Movement in funds			Balance at 31 March 2017 £
		Income £	Expenditure £	Transfers £	
Car fund	12,324	-	-	(4,800)	7,524
Repairs and replacements fund	14,280	-	-	900	15,180
	<u>26,604</u>	<u>-</u>	<u>-</u>	<u>(3,900)</u>	<u>22,704</u>

The Car fund represents funds to purchase a new motor vehicle when the need should arise.

The Repairs and replacements fund represents funds set aside for the purpose of future anticipated fabric expenditure.

17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible assets	45,697	-	-	45,697
Current assets	106,810	22,704	175	129,689
	<u>152,507</u>	<u>22,704</u>	<u>175</u>	<u>175,386</u>

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	40,365	18,000
Between two and five years	161,460	161,460
In over five years	444,015	484,380
	<u>645,840</u>	<u>663,840</u>

19 Inter company guarantee

There is an unlimited inter company guarantee between Tigh A'Chomainn Camphill Limited and the following companies: Beannachar Limited, Camphill Medical Practice Limited, Camphill (Rudolf Steiner) Estates Limited, Camphill Rudolf Steiner Schools Limited and Simeon Care for the Elderly Limited.

TIGH A'CHOMAINN CAMPHILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

20 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

21 Cash generated from operations	2017	2016
	£	£
Surplus for the year	45,639	7,537
Adjustments for:		
Investment income recognised in statement of financial activities	-	(3)
Depreciation and impairment of tangible fixed assets	3,113	2,865
Movements in working capital:		
(Increase)/decrease in debtors	(10,975)	5,106
Increase in creditors	424	7,012
Cash generated from operations	38,201	22,517

