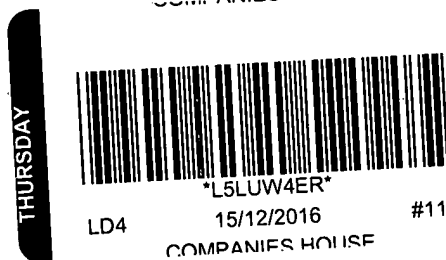


seAp

Financial Statements
Year ended 31 March 2016

Charity No: 1080679

Company No: 3963421



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Reference and Administrative Details

Trustees

G. Parker	Chair
A. Heslop	
V. Briant	(resigned 04/02/16)
J. Ainsley	(resigned 19/07/16)
V. Connolly	Hon. Treasurer
A. Chester	(joined 28/09/15)
A. Voyce	(joined 04/02/16)
A. Chambers	(joined 19/07/16)

Chief Executive & Company Secretary

M. Casey

Registered Office

Upper Ground Floor,
Aquila House,
Breeds Place
Hastings
East Sussex TN34 3UY

Auditors

Mazars LLP
Times House
Throwley Way
Sutton
Surrey SM1 4JQ

Bankers

The Co-operative Bank p.l.c
Head Office
P O Box 101
1 Balloon Street
Manchester M60 4EP

Solicitors

Sherrards Solicitors
Grosvenor Hall
Bolnore Road
Haywards Heath
West Sussex RH16 4BX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Trustees of seAp present their annual report for the year 1st April 2015 to 31st March 2016.

Our Vision - how we see the future

A society where the need for **advocacy** is fully recognised and where it is a universally available service that **promotes social justice, empowers people** to have more control over their lives **and supports them** in claiming their rights.

Our Mission - why we are here

- To provide an advocate to anybody that needs one.
- To help drive up public service standards by influencing policy-makers.
- To improve the quality and availability of advocacy through our practice and training.

Our Values - what we believe

- Our clients are at the heart of what we do. We are guided by an ethos empowering them and acting on their needs and wishes.
- Our staff are our greatest asset and we aim to be an employer of choice.
- We are committed to social justice. We provide support to the many people in the community who, for a variety of reasons, including communication difficulties, physical or mental health issues or cultural concerns, feel disempowered.
- Whilst we are committed to supporting self-advocacy, we are aware that sometimes even empowered, articulate people are not listened to and are in need of direct advocacy support. Therefore, we aspire to provide access to an advocate to anyone who needs one.
- Our clients' voices should be heard at every level of policy and decision-making. We are dedicated to providing a range of pathways to ensure this happens.

- We make our services accessible through networking and partnership. We focus on making ourselves 'easy to reach' and reject the thinking that perpetuates the idea of 'hard to reach' groups.
- We believe in collaboration over competition and champion the importance of a diverse and vibrant voluntary sector.

The organisation's wider role

As a leading advocacy provider, seAp invests resources in monitoring, influencing and responding to key developments and initiatives in the external environment, particularly within the health and social care arena. The organisation plays a proactive role in national, regional and local fora, providing consultancy advice, and working at all levels to ensure that client views, concerns and experiences influence service planning and delivery. Through our local teams, seAp is working with local Healthwatch and partner organisations to improve health and social care services. seAp also works with the Department of Health, Local Government Association, Healthwatch England, Parliamentary and Health Ombudsman and the CQC to improve services for clients and to facilitate access to independent advocacy.

Scope of Operations

seAp works in twenty-six top tier local authorities, from Cornwall to Kent, Oxfordshire to Essex, and has six offices across the south of England, with its Head Office located in Hastings, East Sussex.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

seAp is a charitable company limited by guarantee, incorporated on 3 April 2000 and registered as a charity on 11 May 2000. It was established under a Memorandum of Association, which establishes its objects and powers and is governed under its articles of association which were last amended in September 2010.

Responsibilities of the Board

The Trustees are responsible for ensuring the financial statements of the charity are comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (effective 1 January 2015).

Under company law the Trustees 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 charity and of the surplus or deficit of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards, 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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.

Statements as to disclosure of information to auditors

So far as the Trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charity auditors are unaware, and
- the Trustees have taken all steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Organisational Structure

The charity is governed by a Board of Trustees, which meets regularly to manage and control the resources administered by the charity. The Board of Trustees now numbers six members and the Board is actively recruiting further service users and other interested applicants. All trustees give their time freely and received no remuneration in the year.

The Senior Management Team comprising the Chief Executive, Strategic Services Development Manager, Resources Manager and Director of Training, and two Area Managers are responsible for day to day policy and decision making as well as overseeing the implementation of the business plan.

The Senior Management team submit reports on the work of the organisation to the Board, and attend relevant Board agenda items. At least once a year, the Board meet jointly with the Management Team (senior and team managers) to review the organisation's performance and achievements against the objectives laid down in the Business Plan.

The Board has an Audit and Risk Management Sub-Committee which reviews financial and strategic matters in more detail and reviews risks that could prevent the organisation from achieving its strategic objectives. This Committee meets at least three times per year and its membership includes Trustees, the Chief Executive, Strategic Services Development Manager and the Resources Manager.

During the year the Trustees met on six occasions in full Board meetings and a further three sub-committee meetings were held. Members of the Board also met with the full staff team to agree seAp's strategic direction and with the wider management team, in January 2015, to plan for 2015/16.

The Board received and considered regular reports relating to the management, development and finances of the organisation, including challenging key performance indicators which allow the Board to track progress in delivering its strategic plan.

Recruitment and Appointment of the Board

The Trustees are also the directors of the charity for the purposes of the Companies Act, are elected at the Annual General Meeting of the charity; and at each such meeting one third of the Trustees are subject to retirement by rotation and are eligible for re-election.

All trustees undergo a DBS check as part of the recruitment process and receive a Trustee handbook, and Trustee Code of Practice outlining their role and responsibilities. As part of their induction, Trustees meet with the CEO and other relevant managers and undergo relevant training.

The names of the Trustees at the date the accounts were signed are set out on the schedule of reference and administrative details on page 1. seAp's Board aims to recruit in such a way as to bring expertise in advocacy, governance, specialist client groups, and related areas of expertise that can add value to the charity particularly valuing the role past or present service users bring to this process.

Risk Management and Audit

The major risks to which the charity could be exposed, as identified by the Board and the Risk Sub Committee, have been reviewed on an ongoing basis, and systems have been established to mitigate against those risks. Senior management regularly review and update the charity's risk register, and prioritise five key risks for the organisation to focus on, and review and update identified risks and mitigations for their specific areas of responsibility.

The main risks facing the organisation relate to service income not covering the full operational costs, the dependence on local authority contracts, and the increasing complexity of managing these contracts particularly where they are spot purchase arrangements. These are being mitigated by regular financial and performance reporting reviewed by operational managers and additional contract management staffing.

Other risks relate to IT and the delivery of a new database to ensure it delivers the expected benefits and in line with the expected budget. Additional resource has been brought in to project manage the development and implementation of the new database and a Board member with strategic IT expertise has been involved throughout the process to provide advice and ensure the project is delivered with budget.

Risk management practices are in place to manage risks around health and safety such as lone working and management of premises, as well as for other risks such as information security. Operational procedures and specific policies detail expected practice for staff and managers.

Compliance and quality assurance issues are reported to the Management Team who receive regular reports from each team, and review specific areas of work. Reports summarising this work or highlighting specific areas such as reviewing complaints made against seAp are reported to the Board, or to the Audit and Risk Sub Committee dependant on their specific terms of reference.

seAp has insurance policies in place to satisfy its contractual requirements and to ensure the organisation is protected against unforeseen events, for example in the event of a person being injured at any of the organisation's premises or in the event of a claim in relation to services provided by volunteers, staff and trustees of the charity.

Staffing

seAp employed an average of 129 staff in the year, equivalent to 107 full time posts and an additional 31 volunteers contributed their services.

seAp staff have a wide range of skills and experiences which they bring to their work. All advocates have achieved or are undertaking the Qualification in Independent Advocacy as part of a progression framework introduced to align staff remuneration with career development.

Remuneration policy for senior staff

The pay of the senior staff has been set at a specific scale or at a fixed sum which was benchmarked against similar organisations, and is uplifted annually for inflation by an amount agreed by the Board for all staff. Any substantial changes to remuneration are agreed by an ad hoc Remuneration Subcommittee of the Board.

Qualification in Independent Advocacy (QIA)

seAp Advocacy Training were involved at the start of the accredited Independent Advocacy award in 2009, co-writing the materials & delivering the first training course. Advocacy Training continue to deliver training for the City & Guilds accredited Qualification in Independent Advocacy (QIA)

As an accredited City & Guilds approved centre for level 2 and level 3 QIA awards and one which has won awards for the quality of our assessing, our Director of Training was consulted on the content of the new QIA 313 (Care Act) unit and given the responsibility of crediting & levelling the unit for C&G.

On average throughout 2015 AT provided a Care Act Training event every month in response to the Care Act becoming legislation on 1st April. Business enquires & feedback continued to evidence our practitioner expertise remains a valuable USP.

Advocacy Training business continued to reach across a number of advocacy providers including Action on Disability, Advent Advocacy, Advocacy for All, Barnardo's The Care Forum, Dorset advocacy, Ealing Mencap, Mind in Barnet, Mindout, Off the Record, People Matter, Rethink, Talkback, United Voices, Voiceability, West Sussex Advocacy Service, Young Lives Advocacy Service.

Attendees on in house & open access courses include Age UK, CAB, Cambridge Deaf Association, Deaf Access, Diverse Communities, Epping Forest College, Natstar College, Guild of St John Beverly for the Deaf, Hayes Trust, OHH Dementia Home, The Well Centre. AT also delivered training across most of our partnership organisations.

AT returned seAp L&D responsibility to HR for 2016 which contributed to AT having capacity to direct new focus on marketing opportunities. This has been very successful in the first half of 2016 with significant business secured resulting in passing the 2016 revenue target already. The new area of focus is organisations supporting those with life changing medical conditions. AT provided training for British Kidney Patient Association, Spinal Injury association, HIV Positive East, The Epilepsy Society and Chalford St Peter.

seAp benefit from having access to timely in house specialist QIA training to ensure staff & volunteers meet the contractual requirement for their specific practitioner roles.

OBJECTIVES AND ACTIVITIES

Aims and Objectives

The objectives of the charity are expressed in the governing document as follows: "to relieve persons who are in need by reason of their age, youth, disability, ill-health or social or economic circumstances through the provision of effective advocacy services in the United Kingdom".

The purpose of the organisation is to ensure that the views, wishes and feelings of those using services, including but not exclusively health and social care services, are promoted to service providers; and to provide advocacy support to individuals or groups who wish to resolve specific issues, which may include complaints. It achieves this primarily in two ways:

- Advocates provide information, support and representation to clients relating to specific difficulties, concerns, or complaints
- The organisation works directly with service providers and policy makers at local and national level, aiming to ensure that client experiences are at the heart of service planning, implementation and monitoring.

The organisation also provides a number of related services, including training, research, consultation, and supporting clients to be involved in local and national groups. seAp also delivers Healthwatch West Berkshire as part of our commitment to ensuring effective, locally accountable health services.

Ensuring our work delivers our aims

As part of its 20th anniversary, the charity reviewed its aims, objectives and activities and has produced a strategy until 2020. The new strategy reviewed our twenty-year history, identifying our strengths as a flexible, adaptable organisation and looking into the short and long term future. With the continuous reduction in public spending, the Board is committed to diversifying its funding. We also believe that advocacy is a service that would benefit many more people and that it is a tool to promote social justice and can support vulnerable people towards living more secure, independent and fulfilled lives. The organisation's 2020 strategy sets out ambitious objectives which are underpinned by operational, business and financial plans.

seAp has set high level key performance indicators for the Board to assure themselves that the organisation is travelling in the right direction. Each team and member of staff has their own individual performance objectives which align to the organisations. We also conduct regular client and commissioner surveys to ensure that we are meeting our stakeholder's requirements.

seAp's collaborative partnership strategy is predicated on supporting the sustainability of the advocacy sector and local specialist providers in order to extend the reach of advocacy into seldom heard or hard to reach communities. This strategy has developed and grown over the last year and we are now working with 24 partner organisations to deliver a range of advocacy services. The partnerships have led to new services tailored to the needs of a range of clients and supports the diversity of the voluntary sector. An example is the strategic relationship we have with Royal Association of the Deaf (RAD) has led to improved advocacy services for deaf people and their families.

seAp actively collects client feedback and works closely with local and national colleagues within government departments and statutory and third sectors to ensure that its work priorities are informed by central and local commissioning priorities, and by ongoing changes to health, social care and other core agendas.

The new political landscape and changed funding realities mean that more than ever we have to focus on outcomes and look for savings in how we operate, as well as identifying innovative ways of working, including remote and digital solutions and developing robust collaboration and partnership arrangements.

The focus of our work

seAp is committed to the advocacy principles of independence, confidentiality, best interests, and empowerment. We believe that the views, wishes and feelings of clients should be central to both our own work, and the planning and delivery of health and social care services. We work to the Advocacy Code of Practice.

seAp staff are required to work to high standards of professionalism with both clients and service providers, building good working relationships with key stakeholders across all sectors whilst maintaining the core independence of the service.

Service users and volunteers

Service user involvement and volunteering are central to the organisation's value base and are key planks within seAp's strategic and operational plans. Each advocacy relationship is client lead. At the end of each advocacy relationship, we seek client views on their experience of our service. We aim to recruit more service users and volunteers through our local partnerships.

Service users continue to be involved in recruitment panels and developing new services as well as being recruited to the Board.

Additional resources have been put into developing support for volunteers and the Board has agreed that surpluses achieved by two of our services can be utilised to employ new volunteer co-ordinators. Our Healthwatch service in West Berkshire utilises volunteers in a variety of roles including research, engagement activities, our Enter and View team, mystery shopping and a planned 'Healthwatch Youth' group.

seAp offers placements to social work students to broaden their experience and understanding of the advocacy sector. Their placements have enabled them to advocate for clients and has given them an insight into the social care system from the client's perspective. Their feedback has indicated that their experience will influence their practice.

How our activities deliver public benefit

The Trustees consider that they have complied with their duty under the Charities Act 2011 to have regard to the public benefit guidance issued by the Charity Commission.

seAp's activities are designed around our twin aims of supporting successful resolution of individual client issues; and ensuring the experiences, views, wishes and feelings of client's impact on, improve, and play a central role in service planning and delivery.

The work of seAp's advocacy services support clients to safeguard their individual rights and resolve concerns, complaints and difficulties.

seAp also aims to influence the development and implementation of national and local agendas and commissioning priorities, to ensure that improving outcomes are at the heart of health and social care reforms.

In addition to supporting clients to find successful resolutions to issues, clients tell us that receiving advocacy support enables them to feel more empowered and in control of their lives, and leads them to develop self-advocacy skills which assist them in the future.

Enabling people to have a greater sense of autonomy and personal control over their lives supports a greater sense of inclusion and identity with local communities, and resolution of issues which have caused them concern provides a sense of closure and ability to move on for many.

seAp works closely with service providers to ensure that the views, wishes and feelings of service users form an integral part of decision-making processes, and that their views and experiences impact on service design and delivery at a local and national level.

Who used and benefited from our services

In 2015/16 seAp received 11,973 new advocacy cases, an increase of 32% from the previous year, providing a range of advocacy provision, including statutory, non-statutory, instructed, non-instructed, delivered through one to one support and group advocacy. We aim to empower the people we work with to have more control over their lives and to engage with service providers to highlight themes, trends, gaps in service provision and practice/policy issues which then result in service improvements.

seAp works with people who use, or wish to use, services including

- Adults with mental health issues
- Children & young people
- Adults with learning disabilities
- Those wishing to make complaints about NHS healthcare
- Gypsy and Traveller Communities
- BME Communities
- Older People
- People with physical disabilities and/or sensory impairments

- People requiring Appropriate Adult support
- People with dementia-type conditions, acquired brain injury and those considered to lack capacity
- Carers
- Former military personnel and veterans.
- People undergoing work capability assessments
- Victims of crime or anti-social behaviour

seAp provides a range of current statutory advocacy provision including

- Independent Health Complaints Advocacy
- Independent Mental Capacity Advocacy (IMCA)
- Independent Mental Health Advocacy (IMHA)
- Deprivation of Liberty Safeguards (DOLS) advocacy.
- Care Act Advocacy (CAA)

ACHIEVEMENTS AND PERFORMANCE

Aims and objectives for 2015/16: What did we focus on? How did we do?

A review of our KPIs at the end of the year showed the following:

Our local teams have successfully developed strong links with their communities through local networking and relationship building with local Healthwatch and commissioners. This has included supporting the implementation of the Care Act and delivering Care Act Advocacy. seAp's contact centre has grown and developed, providing a single point of access to all our teams and our partners. The team has also been commissioned to provide the helpline for Healthwatch in East Sussex and West Berkshire and the Healthwatch West Berkshire service.

We actively pursued our partnership strategy and have successfully won contracts in partnership with local providers in West Berkshire, East Sussex, Plymouth, Oxfordshire, Kent, Cornwall and Essex. These are in addition to existing contracts in Devon, Southampton, North Somerset, Essex and Bristol. Our strategic partnerships with RAD has meant that we were able to improve access for deaf clients and with Hastings Advice and Representation Centre (HARC) to improve our support to benefit claimants.

seAp updates its website to improve access for stakeholders and existing and potential service users and to improve its fundraising potential. We have been developing our information technology infrastructure and support needs in order to support our services and our partners and are continuously upgrading our database to enable appropriate reporting.

seAp has an active business development team who continue to identify new business opportunities and has enabled us to increase our turnover and the numbers of clients we are able to support. We now hold contracts in 28 local authorities including 23 contracts for health complaints advocacy. We were particularly pleased to win a new contract for advocacy in Kent during the year, leading on a bid involving eight other partners, as well as winning new contracts in Berkshire, Cornwall and West Sussex.

As part of the Board's aim to diversify income, we are very pleased that we have received funds from the Legal Education Foundation and Comic Relief to produce electronic support to benefits claimants going through the Employment Support Assessment (ESA) and Personal Independent Payments (PIP) assessment processes which was based on our experience of providing advocacy support to claimants. Working in partnership with award winning web designers and experts in the ICT Field, we have developed a web based application, the c-app which has been accessed by 9,796 users in its first six months. We have also secured additional funds to support military veterans, and victims of crime.

Significant resources have been spent on our internal and external training programme and continuing to support staff to achieve the accredited qualification in advocacy. 90% of our staff have or are working towards the qualification. Our progression framework for advocates links increased pay with gaining the qualification.

seAp is committed to quality and is pleased to have renewed our Quality Performance Mark for Advocacy. seAp works with national bodies such as the Care Quality Commission, and Healthwatch England to ensure that our service user's views and experiences improve healthcare. We contributed to the review of the Mental Capacity Act and the Deprivation of Liberty Safeguards, and the implementation of the Care Act.

We have been actively working with colleagues to develop the Advocacy Action Alliance to provide a national voice for advocacy providers and our clients and the Independent Complaints Advocacy Network to improve the quality and access to health complaints advocacy services. This has included working with, the Department of Health, Local Government Association and Healthwatch England. We have also supported the co-production of the CQC's adult social care inspection regime and are working with CQC to improve communication between advocacy providers and their inspection teams

Plans for the future

Against the background of continual reduction of public funding, the need for advocacy is all the more important to protect and promote the rights of those least heard. Whilst it is vital that we continue to review how we deliver services to ensure that we can provide value for money and a high quality service, we will step up our efforts to look outside of the traditional public sector route for funds.

Our local teams are developing their working relationship with Local Healthwatch to promote our advocacy provision to those least heard and to the community at large, to influence the way complaints are handled and to ensure that lessons are learnt and services improved. We believe that the best way of delivering our services to those who need them the most is by working alongside and in partnership with community organisations.

At a local and national level, we will continue to work with colleagues to improve the quality and access to statutory advocacy provision. seAp will continue to take a prominent role in Advocacy Action Alliance and work with the Parliamentary and Health Services Ombudsman, Healthwatch England, the Department of Health and the CQC to influence changes in legislation which would affect our service users.

We will also be focussing on developing our training offer both in the range of services we provide and the number of organisations we provide it to.

Considerable work has been undertaken over the past year to consolidate organisational change and business development and this will continue in the coming year. This will include continuing to build on our successful partnership strategy.

seAp will also actively promote its benefits advocacy service, ensuring that people are aware of the c-app and the need for face to face advocacy for those who are not able to access appropriate support on-line.

seAp's military advocacy service in Oxfordshire has produced impressive results for clients and a further project has now commenced in Plymouth. We aim to promote advocacy as a way of supporting clients with complex issues and in greatest need and the way it complements other support available to military veterans.

FINANCIAL REVIEW

The financial year saw income grow by 25% with particular increases in non-statutory and grants as seAp developed new services. Total income was £4,291,067 (2015 - £3,440,474).

Total costs incurred during the year were £4,268,946 (2015 - £3,635,150), with investment in new services and particularly new areas of work such as Healthwatch and benefits advocacy. Overall therefore net transfers to reserves were £22,121 compared with a transfer from reserves of £194,676 in 2015.

Cash balances reduced by 18% to £1,226,903 (2015 - £1,415,581) at the yearend, this was particularly due to increased debtors of £408,772 (2015 - £259,933) although trade and tax creditors also increased to £161,069 (2015 - £107,279).

Principal funding sources

The charity is primarily funded by contracts with statutory bodies, with 85% of income coming from services provided to local authorities, and a further 10% from other public authorities. Overall 81% of public funding relates to the provision of statutory advocacy. Additional income was also received for the provision of training courses by Advocacy Training and as grants for the provision of advocacy for ex-military personnel and for people appealing against assessments of Employment Support Allowance and Personal Independence Payments.

Reserves Policy

The Board have examined the charity's requirement for reserves in the light of the main risks facing the organisation, such as to cover any costs that might arise from the sudden end of a contract, and to ensure funding is sufficient to cover central service costs above the level that can be recouped from project income (and to invest in business development and other areas), to ensure sufficient cash flow to finance current operations, and to meet other contingencies that cannot be met out of current income.

At the end of the year the balance of the charity's free reserves was £1,006,625 (2015 - £1,058,749) a reduction for the year of £52,124 after including a transfer to the Fixed Asset Reserve of £67,661 partly offset by a reduction in the Pension Reserve of £20,019.

The level of free reserves at the year end was equivalent to 2.8 (2015 – 3.6) months operating expenditure and it is the opinion of the trustees that the current level of reserves is justified given the significant uncertainties facing seAp. The Trustees therefore have taken the level of free reserves into account in their assessment of the risks facing the organisation.

seAp additionally holds designated funds of £374,305 (2015 - £326,663) which have been allocated by the Board for specific purposes such as business development.

This includes a Fixed Asset Reserve equivalent to the level of net fixed assets representing the capital investment seAp has made in computers, furniture and equipment; and a Pensions Reserve to provide for a contingent liability which would arise if seAp were to withdraw from membership of the Pensions Trust.

Restricted reserves of £126,327 (2015 - £99,724) are held, where the purpose of the funding was funded, granted or contracted for a specific purpose or objective, during the year. These were drawn upon to fund specific work in line with their original purpose.

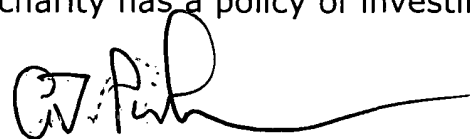
Investment policy

seAp holds any cash in excess of working capital requirements on deposit with the Co-operative Bank. The amount of interest earned during the year was £10,052 (2015 - £8,300). This equates to a return of 0.76% based upon the average of the opening and closing bank balances (2015 0.62%).

seAp has an ethical investment policy which details human rights and environmental criteria with which potential investment institutions are assessed.

To meet these objectives seAp invests in fixed-term or call accounts with institutions that are considered to comply with seAp's ethical criteria and have a high security rating.

Taking into account the level of reserves, and the amount of designated reserves which are ear-marked for expenditure in the next year, the charity has a policy of investing for the short term only.



Graham Parker
2nd December 2016

Independent auditor's report to the members of seAp

We have audited the financial statements of seAp for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of directors and auditors

As explained more fully in the Responsibilities of the Board set out on page 3, the Trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Independent auditor's report to the members of seAp (continued)

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of 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.

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report on by exception

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 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 Report of the Trustees.

N J Wakefield

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: *14th December 2016*

Statement of Financial Activities (Incorporating an Income & Expenditure Account)
For the Year Ended 31 March 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £ (restated)
Income from:					
Donations		1,811	-	1,811	4,196
Charitable activities	3	4,125,889	153,315	4,279,204	3,427,978
Investment income		10,052	-	10,052	8,300
Total income		<u>4,137,752</u>	<u>153,315</u>	<u>4,291,067</u>	<u>3,440,474</u>
Expenditure on:	4-7				
Charitable activities		<u>4,142,234</u>	<u>126,712</u>	<u>4,268,946</u>	<u>3,666,847</u>
Total expenditure		<u>4,142,234</u>	<u>126,712</u>	<u>4,268,946</u>	<u>3,666,847</u>
Net (expenditure)/income		(4,482)	26,603	22,121	(226,373)
Funds at 1 April 2015		<u>1,385,412</u>	<u>99,724</u>	<u>1,485,136</u>	<u>1,679,812</u>
Funds at 31 March 2016		<u>1,380,930</u>	<u>126,327</u>	<u>1,507,257</u>	<u>1,453,439</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance Sheet

As at 31 March 2016

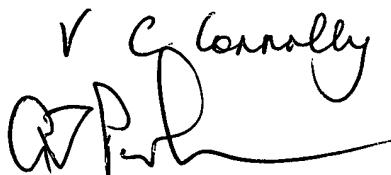
	Notes	£	2016 £	2015 £ (restated)
Fixed Assets				
Intangible Assets	8		110,798	36,706
Tangible Assets	9		18,230	30,261
			129,028	66,967
Current Assets				
Debtors and Prepayments	10	476,978		304,212
Cash at Bank and in Hand		1,226,903		1,415,581
			1,703,881	1,719,793
Creditors: Amounts falling due within 1 year	11	(320,664)		(298,016)
Net Current Assets			1,383,217	1,421,777
Creditors: Amounts falling due after more than 1 year	12		(4,988)	(3,608)
Net Assets			1,507,257	1,485,136
Funds				
Restricted Funds	13		126,327	99,724
Unrestricted Funds	14			
Designated Funds		374,305		326,663
General Funds		1,006,625		1,058,749
Total Unrestricted Funds			1,380,930	1,385,412
Total Funds			1,507,257	1,485,136

Approved by the Trustees and signed on their behalf by

Verna Connolly

Graham Parker

2nd December 2016



Statement of Cash Flows

For the Year Ended 31 March 2016

	2016 Total funds £	2015 Total funds £
Income/(Expenditure)	22,121	(226,373)
Depreciation and amortisation	43,395	41,115
Investment income	(10,052)	(8,300)
(Increase)/Decrease in debtors	(172,766)	245,655
Decrease in creditors	24,028	91,708
Net cash provided by/(used in) operating activities	(93,274)	143,805
Cash flows from investing activities:		
Deposit interest received	10,052	8,300
Payments to acquire tangible fixed assets	(105,456)	(31,421)
Net cash used in investing activities	(95,404)	(23,121)
(Decrease)/Increase in cash in the year	(188,678)	152,381
Net cash resources at 1st April	1,415,581	1,263,200
Net cash resources at 31st March	1,226,903	1,415,581

Notes to the Financial Statements

For the Year Ended 31 March 2016

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. They are drawn up on the historical cost accounting basis. The charity meets the definition of a public benefit entity under FRS 102.

b) Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities includes grants and contracts for the provision of services to beneficiaries as specified in contracts and service level agreements with local authorities, government bodies and other organisations. Voluntary income received by way of donations is included in full in the Statement of Financial Activities when receivable.

Investment income comprises solely of interest on cash deposits.

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income is deferred if any conditions for use imposed by the donor have not been met.

Notes to the Financial Statements

For the Year Ended 31 March 2016

d) Expenditure

Cost of raising funds i.e. those costs incurred in attracting voluntary income are no longer considered significant and there are no costs incurred in trading activities that are purely to raise funds.

Cost of charitable activities comprise costs incurred on the defined charitable purposes of the charity and include direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves directly produce charitable outputs. These will include the cost of central services such as general management, finance and human resources.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on an estimate of the staff time attributable to each activity.

Governance costs (see Note 4) are costs associated with meeting the constitutional and statutory arrangements of the charity, including internal and external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings, and other costs involved with the charity's strategic management.

e) Pensions

The charity has arranged a defined contribution scheme that is available to all members of staff. The assets of this are held separately from those of the charity in independently administered funds. The main provider of these pension funds is the Pensions Trust, but other private providers are also used. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

Notes to the Financial Statements

For the Year Ended 31 March 2016

f) **Taxation**

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

As a charity, SEAP is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen as a result of activities by the Charity.

g) **Intangible assets**

Intangible assets are identifiable non-monetary assets without physical substance but from which future economic benefits will accrue - for SEAP principally software. For intangible assets over £500 these are amortised at rates calculated to write off each asset over its expected useful life which for software is assumed to be 20% unless circumstances indicate otherwise.

h) **Tangible fixed assets**

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Leasehold Improvements	Over the term of the lease
Furniture and equipment	20% per annum straight line
Computers and laptops	33% per annum straight line

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

i) **Funds accounting**

General funds consist of unrestricted funds which the charity may use for purposes at its discretion.

Designated funds are unrestricted funds earmarked by the trustees for a specific purpose.

Restricted funds are those where the donor has imposed restrictions on the use of the funds.

j) **Services provided by volunteers**

For the purposes of these accounts no monetary value has been placed on administrative and other services provided by volunteers in the charity.

Notes to the Financial Statements

For the Year Ended 31 March 2016

k) Operating leases

The charity classifies the lease of printing equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced at the end of the economic life of such equipment which is normally five years. Operating leases payable for the use of premises are charged on a straight line basis over the term of the lease.

l) Transition to FRS 102

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required. The opening fund balances for 2015 have therefore been restated.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for holiday entitlement carried forward relating to entitlement arising in the year which was not taken. The initial liability was for £28,089. Additionally a liability of £3,608 was recognised related to a deficit on the pension scheme (see note 16). No other restatements were required.

	31 March 2015
Reconciliation of balances	£
Fund balances as previously stated	1,516,833
Adjustment for annual leave	(28,089)
Pension liability	<u>(3,608)</u>
Fund balances as restated	<u>1,485,136</u>

Notes to the Financial Statements

For the Year Ended 31 March 2016

2. Income from donations

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Donations	<u>1,811</u>	<u>-</u>	<u>1,811</u>	<u>4,196</u>

3. Income from charitable activities

The income, deficit for the year and net assets are attributable to the principal activity, which is to provide advocacy services for people of all ages throughout the South of England. The charity operates in, and the whole of its income is derived from, the UK.

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Statutory advocacy	3,258,362	-	3,258,362	2,787,164
Nonstatutory advocacy	752,596	-	752,596	491,027
Other services	114,931	-	114,931	102,900
Grants	-	153,315	153,315	46,887
Total income	<u>4,125,889</u>	<u>153,315</u>	<u>4,279,204</u>	<u>3,427,978</u>

Notes to the Financial Statements
For the Year Ended 31 March 2016

4. Total Expenditure

	Basis of allocation	Statutory Advocacy	Nonstatutory Advocacy	Other services	Governance	2016 Total	2015 Total (restated)
		£	£	£	£	£	£
Costs directly allocated to activities							
Staff Costs	Direct	2,067,779	299,066	101,901	-	2,468,746	2,230,617
Staff related costs	Direct	184,410	28,222	20,703	-	233,335	194,229
Rent and service costs	Direct	49,623	4,224	5,716	-	59,563	76,335
Office running costs	Direct	100,973	14,925	19,744	-	135,642	119,895
Subcontractor	Direct	208,912	339,352	-	-	548,264	248,054
Professional fees and similar	Direct	43,640	5,993	65,875	-	115,508	59,276
Depreciation	Direct	1,490	193	2,063	-	3,746	2,490
		<u>2,656,827</u>	<u>691,975</u>	<u>216,002</u>	<u>-</u>	<u>3,564,804</u>	<u>2,930,896</u>
Support costs allocated to activities							
Staff Costs	Staff time	337,321	49,362	24,428	7,253	418,364	390,292
Staff related costs	Staff time	5,669	829	410	122	7,030	25,010
Rent and service costs	Staff time	24,383	3,568	1,766	524	30,241	37,037
Office running costs	Staff time	115,440	16,893	8,360	2,482	143,175	110,893
Professional fees and similar	Staff time	52,960	7,750	3,835	1,139	65,684	102,397
Depreciation	Staff time	31,968	4,678	2,315	687	39,648	38,625
		<u>567,741</u>	<u>83,080</u>	<u>41,114</u>	<u>12,207</u>	<u>704,142</u>	<u>704,254</u>
Total		<u>3,224,568</u>	<u>775,055</u>	<u>257,116</u>	<u>12,207</u>	<u>4,268,946</u>	<u>3,635,150</u>

Notes to the Financial Statements

For the Year Ended 31 March 2016

5. Net Income

This is stated after charging:

	2016 £	2015 £
Depreciation and amortisation	43,395	41,115
Auditors' Remuneration: Audit	7,001	6,960
Operating Lease Rentals: Property	155,294	71,381

6. Trustee Remuneration & Related Party Transactions

No trustees received any remuneration from the company in their capacity as trustees. Reimbursement of travel and training costs amounting to £400 (2015 - £512) were reimbursed to 2 (2015 - 2) trustees.

No trustees received payments in any other capacity. No related party transactions were identified in the year.

7. Staff Costs and Numbers

	2016 £	2015 £
Staff costs were as follows:		
Wages and Salaries	2,530,824	2,299,106
Agency fees	104,091	65,758
Benefits in Kind	775	2,331
Social Security Costs	209,266	185,442
Employer Pension Contributions	42,153	36,575
	<u>2,887,109</u>	<u>2,589,212</u>

No employee's remuneration exceeded £60,000 in either year. The key management personnel of the charity, comprise the trustees, the Chief Executive Officer, Strategic Services Manager and Resources Manager. The total employee benefits of the key management personnel of the Charity were £137,374 (2015: £136,014).

The charity pays employer contributions to 104 (2015 - 75) staff who are members of a defined contribution pension scheme (see note 14).

The average weekly number of employees during the year (head count) was as follows:

	2016	2015
Advocacy Services	100	87
Healthwatch, Training and Contact Centre	14	12
Management and Administration	15	14
Total	<u>129</u>	<u>113</u>

Notes to the Financial Statements

For the Year Ended 31 March 2016

10. Debtors and Prepayments

	2016	2015
	£	£
Debtors	408,772	259,933
Prepayments	45,814	35,198
Accrued income	22,392	9,081
	<u>476,978</u>	<u>304,212</u>

11. Creditors : Amounts falling due within one year

	2016	2015
	£	£
Taxation and Social Security	64,869	54,271
Creditors	96,200	53,008
Accruals	151,846	176,087
Deferred income	7,749	14,650
	<u>320,664</u>	<u>298,016</u>

12. Creditors : Amounts falling due after more than one year

	2016	2015
	£	£
Pension liability provision	4,988	3,608
	<u>4,988</u>	<u>3,608</u>

Notes to the Financial Statements

For the Year Ended 31 March 2016

8. Intangible Fixed Assets

	Software purchased £	Software developed in house £	Software under construction £	Total £
COST				
At 1 April 2015	33,539	72,957	-	106,496
Additions in Year	-	-	97,416	97,416
Disposals in Year	(16,230)	-	-	(16,230)
At 31 March 2016	<u>17,309</u>	<u>72,957</u>	<u>97,416</u>	<u>187,682</u>
AMORTISATION				
At 1 April 2015	30,876	38,914	-	69,790
Charge for the Year	1,332	21,991	-	23,323
Disposals in Year	(16,229)	-	-	(16,229)
At 31 March 2016	<u>15,979</u>	<u>60,905</u>	<u>0</u>	<u>76,884</u>
NET BOOK VALUE				
At 31 March 2016	<u>1,330</u>	<u>12,052</u>	<u>97,416</u>	<u>110,798</u>
At 1 April 2015	<u>2,663</u>	<u>34,043</u>	<u>-</u>	<u>36,706</u>

All intangible fixed assets are used for the furtherance of the charity's charitable objectives.

9. Tangible Fixed Assets

	Computer equipment £	Office equipment and software £	Total £
COST			
At 1 April 2015	88,630	85,725	174,355
Additions in Year	1,800	6,240	8,040
Disposals in Year	(14,797)	(21,089)	(35,886)
At 31 March 2016	<u>75,633</u>	<u>70,876</u>	<u>146,509</u>
DEPRECIATION			
At 1 April 2015	66,521	77,572	144,093
Charge for the Year	13,202	6,870	20,072
Disposals in Year	(14,797)	(21,089)	(35,886)
At 31 March 2016	<u>64,926</u>	<u>63,353</u>	<u>128,279</u>
NET BOOK VALUE			
At 31 March 2016	<u>10,707</u>	<u>7,523</u>	<u>18,230</u>
At 1 April 2015	<u>22,109</u>	<u>8,152</u>	<u>30,261</u>

All tangible fixed assets are used for the furtherance of the charity's charitable objectives.

Notes to the Financial Statements

For the Year Ended 31 March 2016

13. Analysis of Net Assets Between Funds

	Intangible and Tangible Fixed Assets £	Net Assets £	At 31 March 2016 £
Restricted funds			
Disability Benefits Assessment		2,588	2,588
Disability Assessment website	-	22,926	22,926
Independent Complaints	-	76,658	76,658
Cornwall Advocacy	-	2,697	2,697
West Berkshire Advocacy	-	21,458	21,458
Total Restricted Funds	-	126,327	126,327
Unrestricted Funds:			
Designated Funds	129,028	245,277	374,305
General Funds	-	1,006,625	1,006,625
Total Unrestricted Funds	129,028	1,251,902	1,380,930
Total Funds	129,028	1,378,229	1,507,257

14. Movements in Funds

	At 1 April 2015 (restated) £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Restricted Funds:					
Military Advocacy Service (a)	-	37,474	(37,474)	-	-
Disability Benefits Assessment (b)	3,281	16,875	(17,568)	-	2,588
Disability Benefits Web App (c)	-	77,508	(54,582)	-	22,926
Independent Complaints (d)	93,746	-	(17,088)	-	76,658
Cornwall Advocacy (e)	2,697	-	-	-	2,697
West Berkshire Healthwatch (f)	-	21,458	-	-	21,458
Total Restricted Funds	99,724	153,315	(126,712)	-	126,327
Unrestricted Funds:					
Designated Funds					
Fixed assets (g)	66,967	-	-	67,661	134,628
Pension Reserve (h)	164,391	-	-	(20,019)	144,372
Strategic Reserve (i)	95,305	-	-	-	95,305
Total Designated Funds	326,663	-	-	47,642	374,305
General Fund	1,058,749	4,137,752	(4,142,234)	(47,642)	1,006,625
Total Unrestricted Funds	1,385,412	4,137,752	(4,142,234)	-	1,380,930
Total Funds	1,485,136	4,291,067	(4,268,946)	-	1,507,257

Notes to the Financial Statements

For the Year Ended 31 March 2016

Purposes of Funds

- (a) The Military Advocacy Service relates to income received for advocacy work with ex-Military personnel.
- (b) The Disability Benefits Assessment relates to income received for providing an advocacy service to support disability benefit claimants appealing against a reassessment of their benefit.
- (c) The Disability Benefits Web App relates to income received for developing an interactive website to support disability benefit claimants appealing against a reassessment of their benefit.
- (d) The Independent Complaints Advocacy Service relates to income received under a contract to provide advocacy support for complaints about NHS services in the South of England.
- (e) Cornwall Advocacy Service relates to a specific grant received to support volunteers to provide advocacy services in this area.
- (f) West Berkshire Healthwatch relates to funds received under contract to provide for special project developments in West Berkshire.

Designated funds have been allocated by the Trustees for specific purposes and have been reviewed in line with the strategic priorities of the organisation.

- (g) Fixed Assets - represents the book value of fixed assets less depreciation to date and therefore equivalent to the non cash resources recorded in the balance sheet and unavailable for reallocation.
- (h) Pension Reserve - represents the estimated contingent liability that would arise if SEAP were to withdraw from the Pensions Trust due to a net deficit on the scheme - see note 16.
- (i) Strategic development - represents an amount allocated to provide for specialist resources to promote the development of seAp.

15. Operating Lease Commitment

	2016	2015
	£	£
The charity has commitments under operating leases for land and buildings due:		
Within one year	28,942	71,381
Within 2 to 5 years	126,352	-
Total operating lease commitment	155,294	71,381

Notes to the Financial Statements

For the Year Ended 31 March 2016

16. Pension liability

seAp participates in The Pensions Trust's Growth Plan (the Plan). The Plan is a multi-employer pension scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

seAp paid contributions at the rate of up to 3% during the accounting period. Members paid contributions at the rate of up to 5% during the accounting period.

As at the balance sheet date there were 104 active members of the Plan employed by seAp. seAp continues to offer membership of the Plan to its employees.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Notes to the Financial Statements

For the Year Ended 31 March 2016

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme of £12,945,440 per annum from 1st April 2016 to 30 September 2025. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present value of seAp provision to resolve the deficit:

	31-Mar- 16 (£s)	31-Mar- 15 (£s)	31-Mar- 14 (£s)
Present value of provision	4,988	3,608	3,781

Reconciliation of opening and closing balances

	Period Ending 31-Mar- 16 (£s)	Period Ending 31-Mar- 15 (£s)
Provision at start of period	3,608	3,781
Unwinding of the discount factor (interest expense)	59	101
Deficit contribution paid	-435	-423
Re-measurements - impact of any change in assumptions	-78	149
Re-measurements - amendments to the contribution schedule	1,834	-
Provision at end of period	4,988	3,608

Notes to the Financial Statements

For the Year Ended 31 March 2016

Income and expenditure impact

	Period Ending 31-Mar- 16 (£s)	Period Ending 31-Mar- 15 (£s)
Interest expense	59	101
Re-measurements – impact of any change in assumptions	-78	149
Re-measurements – amendments to the contribution schedule	1,834	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

Assumptions

	31-Mar-16 % per annum	31-Mar-15 % per annum	31-Mar-14 % per annum
Rate of discount	2.07	1.74	2.82

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

seAp has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2015. As of this date the estimated share of employer debt for seAp was £144,372.

Currently seAp is committed to remaining a member of the scheme.

Notes to the Financial Statements

For the Year Ended 31 March 2016

However seAp has established a designated reserve to provide for the contingent liability of the potential employer debt on withdrawal from the Plan, however this would only currently arise if there was a decision to leave the Pensions Trust.

The designated fund is reviewed at each balance sheet date and adjusted to reflect the current best estimate of the amount required to settle the deficit. Therefore movements in the year were as below:

	£
Designated fund at start of accounting period	164,391
Transfers made (reversed) in the period	(20,019)
Provision utilised	<u>-</u>
Designated funds at end of accounting period	<u>144,372</u>