

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 28 February 2018
for
S3A Trading As Belong Ltd

C J Woodhead & Co Limited
(Chartered Accountants)
158 Hemper Lane
Sheffield
S8 7FE

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 28 February 2018. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives and aims of the charity are;

To provide activities for service users with learning difficulties and their families.

ACHIEVEMENT AND PERFORMANCE

The main source of income is contributions from service users for support and activities.

A small amount of income is also generated by fundraising, donations and grants.

Further systems introduced including the new till and budgeting techniques together with new spreadsheets for income and expenditure are working well.

The trustees are happy with the way in which the Charity is moving forward.

FINANCIAL REVIEW

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to invest in any way that the trustees wish.

The charity receives small amounts of interest on funds held in the bank account.

Reserves policy

The trustees are in the process of establishing the level of reserves which the charity ought to have. Reserves are needed to bridge funding gaps should there be a rapid fall in donations or cafe income. This is currently believed to be £9,000. The actual level of reserves at 28 February 2018 was £3,226 (2017 - £1,894).

The trustees are aware that the level of reserves at 28 February 2018 is less than the level that they estimate would be needed to bridge funding gaps. However, there has been a further increase in the level of reserves since the year end and the Trustees are hopeful that reserves will soon meet the level required.

FUTURE PLANS

As a result of careful financial management and implementation of budgets the Charity is no longer reliant on donations from S3E Ltd and it is now fully and independently meeting its own financial obligations.

The Charity plans to extend its range of activities and operational hours over the coming 12 months and also to incorporate new relationships within the community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Membership of the company must be approved by the Board of Trustees. Every person who wishes to become a member shall deliver to the company an application for membership in such form as the board require to be executed by the individual. Every member undertakes to contribute an amount (not exceeding

£1) in the event of the charity winding up.

Recruitment and appointment of new trustees

As set out in the Articles of Association the members of the board shall not be subject to any maximum, but

shall not be less than three members. No person who is not a member of the company shall in any

circumstances be eligible to hold office as a member of the Council.

At the Annual General Meeting one-third of the members of the Council or, if their number is not a multiple of

three, then the number nearest to one-third, shall retire from office.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board of Trustees administers the Charity. The Trustees are in constant weekly contact with each other and also hold meetings every 7 weeks on average.

The charity employs a service manager to run the business and report to the trustees.

Induction and training of new trustees

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and recent financial performance of the charity.

Related parties

The Charity has a close relationship with S3E Ltd, a trading company who provide donations to the charity.

Another trading company, Red House Music Ltd, is related by virtue of the fact that a trustee is was also a director of the Company (although he resigned from this role on 31/07/15). The Charity rented its current premises from Red House Music Ltd until 31/07/15 whereupon it moved premises to Croft House.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07544147 (England and Wales)

Registered Charity number

1147444

Registered office

Croft House Community Centre
Garden Street
Sheffield
South Yorkshire
S1 4BJ

Trustees

M Machin
W Brewerton
Ms R L Grimmer

Company Secretary

Independent examiner

C J Woodhead & Co Limited
(Chartered Accountants)
158 Hemper Lane
Sheffield
S8 7FE

Bankers

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Approved by order of the board of trustees on 29 November 2018 and signed on its behalf by:

M Machin - Trustee

Independent examiner's report to the trustees of S3A Trading As Belong Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended
28 February 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Christopher John Woodhead
FCA
C J Woodhead & Co Limited
(Chartered Accountants)
158 Hemper Lane
Sheffield
S8 7FE

Date:

Statement of Financial Activities
for the Year Ended 28 February 2018

	Notes	Unrestricted fund £	Restricted fund £	28.2.18 Total funds £	28.2.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		691	-	691	646
Charitable activities					
Income received		37,634	-	37,634	35,451
Post & stationery		10	-	10	-
Other trading activities	2	1,197	-	1,197	1,945
Investment income	3	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total		39,533	-	39,533	38,042
EXPENDITURE ON					
Raising funds		2,089	-	2,089	12,604
Charitable activities					
Wages		21,605	-	21,605	20,757
Rentals paid		9,000	-	9,000	12,750
Post & stationery		363	-	363	122
Travel & subsistence		13	-	13	33
Sundries		2,721	-	2,721	499
Depreciation		67	-	67	27
Insurance		687	-	687	684
Repairs & renewals		40	-	40	282
Bank charges		72	-	72	56
Telephone		224	-	224	312
CDs & games		-	-	-	112
Light & heat		-	-	-	9
Accountancy		600	-	600	600
Professional charges		635	-	635	655
Pensions		<u>85</u>	<u>-</u>	<u>85</u>	<u>-</u>
Total		<u>38,201</u>	<u>-</u>	<u>38,201</u>	<u>49,502</u>
NET INCOME/(EXPENDITURE)		1,332	-	1,332	(11,460)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>694</u>	<u>1,200</u>	<u>1,894</u>	<u>13,354</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,026</u></u>	<u><u>1,200</u></u>	<u><u>3,226</u></u>	<u><u>1,894</u></u>

Balance Sheet At 28 February 2018					
	Notes	Unrestricted fund £	Restricted fund £	28.2.18 Total funds £	28.2.17 Total funds £
FIXED ASSETS					
Tangible assets	8	229	-	229	153
CURRENT ASSETS					
Debtors	9	298	1,200	1,498	-
Cash at bank and in hand		<u>3,030</u>	<u>-</u>	<u>3,030</u>	<u>3,187</u>
		<u>3,328</u>	<u>1,200</u>	<u>4,528</u>	<u>3,187</u>
CREDITORS					
Amounts falling due within one year	10	(1,531)	-	(1,531)	(1,446)
NET CURRENT ASSETS		<u>1,797</u>	<u>1,200</u>	<u>2,997</u>	<u>1,741</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,026</u>	<u>1,200</u>	<u>3,226</u>	<u>1,894</u>
NET ASSETS		<u>2,026</u>	<u>1,200</u>	<u>3,226</u>	<u>1,894</u>
FUNDS	11				
Unrestricted funds				2,026	694
Restricted funds				<u>1,200</u>	<u>1,200</u>
TOTAL FUNDS				<u>3,226</u>	<u>1,894</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended

28 February 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in
- (b) accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the

Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 29 November 2018 and were signed on its behalf by:

M Machin -Trustee

-Trustee

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 33% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

Cafe income

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28.2.18
£
1,197

28.2.17
£
1,945

3. INVESTMENT INCOME

	28.2.18	28.2.17
	£	£
Interest received	<u>1</u>	<u>-</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	28.2.18	28.2.17
	£	£
Depreciation - owned assets	<u>67</u>	<u>27</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2018 nor for the year ended 28 February 2017.

However, a payment of £315 is shown in the related parties disclosure note as being paid to Apas Solutions, a business run by Ms R L Grimmer, for professional services.

Trustees' expenses

There were no trustees' expenses paid for the year ended 28 February 2018 nor for the year ended 28 February 2017.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	28.2.18	28.2.17
	1	1
Administration	<u>3</u>	<u>3</u>
Support workers	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	646	-	646
Charitable activities			
Income received	35,451	-	35,451
Other trading activities	<u>1,945</u>	<u>-</u>	<u>1,945</u>
Total	<u>38,042</u>	<u>-</u>	<u>38,042</u>

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
EXPENDITURE ON			
Raising funds	12,604	-	12,604
Charitable activities			
Wages	20,757	-	20,757
Rentals paid	12,750	-	12,750
Post & stationery	122	-	122
Travel & subsistence	33	-	33
Sundries	499	-	499
Depreciation	27	-	27
Insurance	684	-	684
Repairs & renewals	282	-	282
Bank charges	56	-	56
Telephone	312	-	312
CDs & games	112	-	112
Light & heat	9	-	9
Accountancy	600	-	600
Professional charges	655	-	655
Total	<u>49,502</u>	<u>-</u>	<u>49,502</u>
NET INCOME/(EXPENDITURE)	(11,460)	-	(11,460)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>12,154</u>	<u>1,200</u>	<u>13,354</u>
TOTAL FUNDS CARRIED FORWARD	<u>694</u>	<u>1,200</u>	<u>1,894</u>

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 March 2017	-	372	396	768
Additions	<u>143</u>	<u>-</u>	<u>-</u>	<u>143</u>
At 28 February 2018	<u>143</u>	<u>372</u>	<u>396</u>	<u>911</u>
DEPRECIATION				
At 1 March 2017	-	274	341	615
Charge for year	<u>29</u>	<u>20</u>	<u>18</u>	<u>67</u>
At 28 February 2018	<u>29</u>	<u>294</u>	<u>359</u>	<u>682</u>
NET BOOK VALUE				
At 28 February 2018	<u>114</u>	<u>78</u>	<u>37</u>	<u>229</u>
At 28 February 2017	<u>-</u>	<u>98</u>	<u>55</u>	<u>153</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.18	28.2.17
	£	£
Trade debtors	1,495	-
Other debtors	3	-
	<u>1,498</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.18	28.2.17
	£	£
Trade creditors	750	987
Social security and other taxes	181	-
Accrued expenses	600	459
	<u>1,531</u>	<u>1,446</u>

11. MOVEMENT IN FUNDS

	At 1.3.17	Net movement in funds	At 28.2.18
	£	£	£
Unrestricted funds			
General fund	694	1,332	2,026
Restricted funds			
Restricted fund	1,200	-	1,200
TOTAL FUNDS	<u>1,894</u>	<u>1,332</u>	<u>3,226</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	39,533	(38,201)	1,332
TOTAL FUNDS	<u>39,533</u>	<u>(38,201)</u>	<u>1,332</u>

11. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 29.2.16 £	Net movement in funds £	At 28.2.17 £
Unrestricted Funds			
General fund	12,154	(11,460)	694
Restricted Funds			
Restricted fund	1,200	-	1,200
TOTAL FUNDS	<u>13,354</u>	<u>(11,460)</u>	<u>1,894</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	38,042	(49,502)	(11,460)
TOTAL FUNDS	<u>38,042</u>	<u>(49,502)</u>	<u>(11,460)</u>

12. RELATED PARTY DISCLOSURES

During the year the Charity paid £315 for professional services to Apas Solutions, a business run by MS R L Grimmer.