

SOFA
ANNUAL REPORT
AND
FINANCIAL STATEMENTS

For the Year Ended
31 March 2016

Company Registration Number: 02587766
Registered Charity Number: 1002980

SOFA
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SOFA

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Board of Trustees presents its report and the financial statements for the year ended 31 March 2016.

Chairpersons Annual Report

I feel like celebrating simply because I am writing this Annual Report as it means Sofa is still here, working in Loughborough. We continue to collect donations from the community with the help of local volunteers and then we provide the opportunity to reuse all those useful household items. We sell them without a profit to anyone who comes to our warehouse, while discounting those prices to individuals and families referred to us by the local helping agencies. Our volunteers offer us a range of experiences, some simply give their time while others are getting back on their feet, regaining their feeling of self-esteem or improving their skills. Sofa helps the environment by ensuring that the donated items have the maximum potential for reuse, which is even more effective in saving the environment than recycling as the items do not need to be remanufactured using scarce energy resources. Those in need referred to us benefit from the discount that we can give and also from the sensible prices that we offer, but they contribute themselves when purchasing their items and they are our customers rather than our clients or service users.

In the 2014/15 Financial Year Sofa had set a budget with a £50,000 expected deficit as we had lost the previous year's £100,525 in grant income from Leicestershire County Council. Due to some very difficult expenditure reductions and exceptional increases in income generation the year ended with a deficit of only £19,175. While planning for 2015/16 the Trustees realised that it was going to be very challenging for our now skeleton crew of paid employees supported by the volunteers to reduce this deficit even further and we set a budget with a £22,000 deficit. I am now able to report that we were able to raise £165,399 in the year while our expenditure was £154,406 meaning that income actually exceeded expenditure by £10,993. The continued ability of Sofa to meet its charitable objectives has been ensured by the hard work of our very small staff group and our volunteers, not forgetting of course the support of all those who have so generously donated items to Sofa.

As Sofa goes forward into the new financial year the Trustees have set a budget with a £7,000 deficit. The economic picture is as ever uncertain and the charity is travelling a very difficult course. Our staffing is the minimum necessary, our building is very basic and getting older, as are most of our resources. Some of the initiatives over the last year have certainly helped us including consolidation of the Leicestershire Welfare Provision Scheme and a similar initiative by Leicester City, both contracted through our membership of the Leicestershire & Rutland Reuse Network. The Network has also been supported by WRAP to provide us with a new computerised stock control and pricing system. The Network's pilots with Leicestershire County Council to access reuse items directly from individuals visiting the household waste sites did not prove to be viable.

It is really important that the community continues to donate items for reuse to the charity as that is the foundation of our work. Also essential is the support of our volunteers who work so hard collecting, selling and delivering those goods. Our staff group work in challenging circumstances and give extra in every way to the success of the charity. The Trustees continue to provide the good governance necessary to oversee the work of Sofa. Lastly thanks to all those who come and spend their money at Sofa, we give you good value but you are essential to our survival.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016
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REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: SOFA
Charity Registration Number: 1002980
Company Registration Number: 02587766

Board of Trustees/Directors

Brian Granger	-Chairperson
Ellie Lowe	-Vice-Chair
Chris Peaty	-Volunteer Elected Representative
Val Brooke	-Trustee
Jane Hopper	-Trustee
Fadhil Hassoun	-Trustee
Brian Tetley	-Trustee
Jane Marriott	-Trustee

Chris Muris resigned as a Trustee and Director on 27 May 2015.

Company Secretary

Julio Pacheco

Staff

Tony Warren	-Warehouse/Vehicle Manager/Joint Acting CEO
Julio Pacheco	-Administration Manager/Joint Acting CEO
Stewart Turner	-Portable Appliance Tester
Linda Urquhart	-Finance Administrator

Registered Office and Operational Address

Towles Building, Clarence Street, Loughborough, Leicestershire, LE11 1DY.

Independent Examiners

Smith Emmerson, Ash Tree Court, Nottingham Business Park, Nottingham, NG8 6PY.

Bankers

NatWest Bank Plc, 92 Queens Road, Leicester, LE2 1SY.

The Co-operative Bank PLC, Business Customer Service Centre, PO Box 250, Delf House, Skelmersdale, WN8 6WT.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee. The company was originally established under a Memorandum of Association that established the objects and powers of the charitable company and governance under its Articles of Association. Revised and updated Articles of Association were adopted by special resolution of the company on 23rd January 2013. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected annually at the AGM by the existing members of SOFA. All members are able to nominate one trustee to the board.

The Trustees acknowledge that the recruitment, selection and subsequent induction of new Trustees is an opportunity to improve the effectiveness of SOFA. Recruitment of Trustees will be focused on those with the right skills and experience from a wide range of ages and experience and social and economic backgrounds.

Trustee Induction and Training

Trustees are provided with sufficient information to ensure that they understand the charitable purposes of SOFA, the current financial position and the key current issues. New Trustees will be given the governing document, most recent accounts and recent minutes of Trustee meetings. Resources will be made available to meet training needs of Trustees.

Risk Management

The Trustees actively review the major risks that the charity faces and formulate a reserves policy that would enable the charity to have sufficient resources in the event of adverse conditions.

The charity prepares an annual budget and strategic plan. Performance against budget is monitored by regular management reporting. A system of internal financial control is in place to govern day-to-day financial transactions.

The charity has in place appropriate policies of insurance to manage insurable risks.

Organisational Structure

The Board of Trustees is elected annually by members of SOFA at the Annual General Meeting. Nominations can be put forward by any member for appointment to the Board of Trustees. The Trustees act as directors of SOFA. The Chief Executive is responsible for the day-to-day organisation and delivery of services.

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OBJECTIVES AND ACTIVITIES

The charitable objectives for which the company is established are stated in the Appendix to the Articles of Association. The objects continued to be to relieve, either generally or individually, person's resident in Leicestershire and contiguous area (Area of Benefit) who are in conditions of need, hardship or distress arising therefrom by:

1. The provision of furniture and other household accessories calculated to reduce the need, hardship or distress of such persons; and
2. The provision of vocational training, support and work experience for unemployed persons who volunteer at SOFA.

To meet the charitable objectives the company operates a furniture reuse service targeted to clients on low income. The company also offers training, support and work experience to volunteers of SOFA. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and planned future activities.

ACHIEVEMENTS AND PERFORMANCE

Staff We have been fortunate in maintaining a very stable and focused staff group in the last year who have continued to work very hard and give a lot extra to the charity, especially our joint CEOs who have brought about such an improvement in the charity's financial situation.

Volunteers

Over the year we worked with 59 volunteers. We began with 26 volunteers and went on to recruit another 33. We have provided work placements for 8 trainees and 9 volunteers have moved into employment and one into further education. We ended the year with 31 active volunteers. During the year we continued to work with and provide training for those with disabilities, learning difficulties, and mental health issues, making up 40% of our cohort. One volunteer completed a L2 course through Leicester College in Warehousing and Storage, and another completed a L2 course through Loughborough College in Business Administration. We had our annual Christmas BBQ and a hugely successful Volunteer Week Celebration where we handed out awards and gifts for long term volunteers.

Sam- Work placement (RNIB)

"I just wanted to say to you a massive thank you for your help, support and time that you have given/spent with me over the past few months. I have really enjoyed my time here. I have improved my skills a lot since being here... and without all of your help and support I would not be able to do this. Please on my behalf could you pass on my thanks and appreciation to all of your team for all their help and support."

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Jane - customer

“Thank you so much to the very + strong men who delivered my sister’s very heavy settee and two armchairs to her room. She was soon fast asleep on it! We are delighted with it... thanks so much for your good deeds. Please reward the chaps...”

Adam Baker – Stephenson’s College (work placements)

“This year Sofa has provided Helena, one of our internship students with a work placement. Initially this was as an administration assistant 2 days per week to support her other placement at North West Leicestershire District Council but after a few weeks Helena asked if she could try working in the warehouse. After being trained to do so safely, she increased her days on placement and her duties to include delivering and collecting furniture to and from customers’ homes.

Stephenson College are proud to work in partnership with Sofa and would like to thank Julio, Tony and all the team for their time and for the opportunities and experience that Helena has gained this year.

Before this placement Helena had never travelled alone on public transport, so this has given her new confidence travelling independently and experience dealing with the general public face to face. It has also opened Helena’s eyes to other employment opportunities; she now has expanded her job search to include warehousing and retail.”

Referred Customers and Referral Agencies

A total of 2510 furniture and appliances were sold to people who had been referred to us as being in genuine need of reduced price furniture. This represents 245.84% more than the amount of furniture and appliances sold to the general public.

Although anyone can shop with us one of our key charitable aims is to relieve poverty by supplying individuals and households in need with furniture, white goods and other household items at affordable prices. We operate a scheme that enables agencies to assess those they consider to be in need and then to refer them to SOFA where they can then buy from us at a discount, currently 30%, valid for 12 months.

Through this referral process we continue to support a wide range of individuals and families in need who are in contact with statutory and voluntary resources including homeless households, people being resettled from hostels, hospitals and prisons, refugees and new migrants, people fleeing domestic violence and other vulnerable people.

We receive customer referrals from a number of key local agencies, most notably Charnwood Neighbourhood Housing and The Bridge Project, a charity that offers support and advice to homeless and vulnerably housed people in Charnwood. Other agencies which refer regularly include Children and Young People’s Services, Social Care and Health, Charnwood Independent Youth Action, Health Visitors, Housing Associations, Human Rights and Equalities Charnwood, Citizen’s Advice, Enquire and Sure Start.

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Sales to the General Public

A total of 1021 furniture and appliances were sold to the general public at sensible prices, with income from these sales being used to further our charitable aims. This was an increase of 134 sales compared with previous year a 15% increase. The sale of goods to the general public is now essential income to ensure the future of SOFA and is of course furthering reuse by which we can reduce the impact of climate change. We ran for a fourth year a successful stall at the Charity Fair in Loughborough Market Place at the end of November 2015 and handed out publicity to hundreds of people.

Donations and Diversion from Landfill

We gratefully received help from 1226 households by collecting 3785 reusable items during this year and 167 customers donated at our door 496 reusable items. This year we diverted 142.7 tonnes of furniture and electrical appliances from landfill which is a significant help to the targets set for Leicestershire County Council and a considerable boost to the environment.

Improvements to Service, Operational Systems and Partnerships

During the course of the year we:

- Increased the choice for electrical goods by rebalancing new and reused stock
- Started implementation of a new stock control system through our involvement in the Leicestershire & Rutland Reuse Network
- Received the RNIB Employers Partnership Awards
- Successfully achieved our most important goal – to self-sustain the project
- Continued to have great success with our social media campaign including attracting a large number of “friends” on Facebook.
- Re-commissioning of the second goods lift to ensure better access to the first and second floors including a new staircase to access the lift room.
- Further increased security by placing extra CCTV cameras in the building and reinforcement of Clarence Street door exit.
- Improved our PAT testing facility to test electric cookers
- Increased public security by fixing a 5 mile per hour ramp in our driveway

Organisations that have supported SOFA

Our thanks go to the following agencies, organisations and individuals that have supported our work during the course of the year:

- Leicestershire County Council Waste Management
- Charnwood Borough Council Environmental Services
- Leicestershire & Rutland Reuse Network
- Serco
- RNIB College
- WRAP (Waste Resources Action Programme)

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- Voluntary Action Leicestershire
- Loughborough Round Table
- Cuttlefish

FINANCIAL REVIEW

The Statement of Financial Activities for the year shows a surplus of £10,993 (2015: deficit of £19,175).

Total Incoming Resources in the year increased to £165,399 (2015: £117,436), primarily due an increase in furniture and new electrical equipment sales.

The Balance Sheet shows that SOFA has total unrestricted funds of £186,520, of which £7,938 is invested in tangible fixed assets and £50,000 is designated for asset improvement.

Relationships and Principal Funding Sources

Our Principle funding source is now the sale of household items directly to the public and to statutory bodies such as Leicestershire County Council, Leicester City Council and Charnwood District Council. The charity works in partnership with a range of local organisations many of which are referral agents for individuals in need. We work closely with Leicestershire County Council Waste Management Team who also support of the work of the Leicestershire & Rutland Reuse Network. The Network were able to attract funding from WRAP to enable the installation of a stock control system. Charnwood District Council acknowledged the importance of our work by asking us to appear before their Scrutiny Committee reviewing the role of local charities.

Investment Policy

Under the Memorandum and Articles of Association, SOFA (as a charity) has the power to invest in any way the Trustees see fit. However, the Trustees of SOFA have decided not to commit funds for long term investment, and therefore the charity has no investments of this kind. SOFA operates an interest earning deposit account in which it holds the majority of its free reserves, however little is earned by way of interest in the current economic climate.

Reserves Policy

The Trustees have considered the requirement for free reserves (which are those unrestricted funds not invested in tangible assets or designated for specific purposes or otherwise committed).

The Trustees consider that it is necessary to continue to hold reserves at a level that will ensure that the operational charitable objectives can continue to be met. Although this year has seen a small surplus in our budget which has added to our reserve, Trustees still consider that our short term lease agreement and potential operating difficulties result in a need for a maintained substantial level of reserves. For example SOFA continues to hold £20,000 in reserve to cover the expected cost of lift replacement which would be necessary to ensure effective goods access to

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two of the three floors in our warehouse. A further £25,000 is being held for replacement of one of our vans should repair costs be uneconomic and £5,000 for the development of information technology equipment. The balance of reserves, after the planned deficit, gives eight months operating costs, which is a slight improvement compared to the Charity Commission recommendation of holding a minimum of six months operating costs.

The Trustees will reassess the reserves policy on an annual basis.

PLANS FOR FUTURE PERIODS

In the coming year we aim to:

- Undertake a fundamental review of the staffing provision within the charity
- Seek additional external advice to review the Health & Safety provision within our warehouse and throughout our activities.
- Evaluate the implementation of the stock control system provided by the Leicestershire & Rutland Reuse Network
- Add a quick response option to our delivery system
- Attract more donations brought directly to our facility by the general public

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

Charity and company law requires the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparing those financial statements, the Board of Trustees should follow best practice and:

- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

The Board of Trustees is responsible for maintaining proper records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MEMBERS OF THE BOARD OF TRUSTEES

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

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(Continued)

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in July 2014) and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 30/11/ 2016 and signed on its behalf by:



.....
B D Granger (Chair of Trustees)

SOFA

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

Independent examiner's report to the trustees of SOFA

I report on the accounts of the charity for the year ended 31 March 2016, which are set out on pages 12 to 19.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and have requested that an independent examination be carried out.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. This examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Charities Act 2011 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr Paul Emmerson BSc ACA
Smith Emmerson
Chartered Accountants
Ash Tree Court
Nottingham Business Park
Nottingham
NG8 6PY



Date: 30/11/2016

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**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2016**

	<u>Note</u>	<u>Total Funds 2016 £</u>	<u>Total Funds 2015 £</u>
INCOMING RESOURCES			
Incoming Resources from Generated Funds :			
<i>Investment Income</i>		100	166
Incoming resources from Charitable Activities :			
<i>Sales Revenues</i>	2	153,368	107,096
<i>Sundry Income</i>	2	11,931	10,174
Total Incoming Resources		165,399	117,436
RESOURCES EXPENDED			
Costs of generating funds		7,689	7,794
Charitable activities		128,092	109,678
Governance costs		18,625	19,139
Total Resources Expended	3	154,406	136,611
Net Incoming/(Outgoing) Resources		10,993	(19,175)
Transfers between Funds		-	-
Net movement on Funds		10,993	(19,175)
Total funds brought forward		175,527	194,702
Total funds carried forward		186,520	175,527

The notes on pages 14 to 19 form part of these financial statements.

All of the charity's funds are of an unrestricted nature.

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BALANCE SHEET AS AT 31 MARCH 2016

	<u>Note</u>	<u>2016</u> £	<u>2015</u> £
Fixed Assets	7	7,938	8,001
Current Assets			
Stock		5,642	-
Debtors	8	24,090	22,147
Cash at bank and in hand		154,223	149,016
		<u>183,955</u>	<u>171,163</u>
Creditors			
Amounts falling due within one year	9	(5,373)	(3,637)
Net Current Assets		<u>178,582</u>	<u>167,526</u>
Net Assets		<u>186,520</u>	<u>175,527</u>
Funds			
Restricted		-	-
General	11	186,520	175,527
Total Funds		<u>186,520</u>	<u>175,527</u>

For the financial year in question the company was entitled to audit exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 30/11/2016 and signed on its behalf by:

.....*B. Granger*..... **B D Granger (Chair of Trustees)**

The notes on pages 14 to 19 form part of these financial statements.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Statement of Recommended Practice: Accounting and Reporting by Charities published in July 2014.

(b) Fund Accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and grants and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (Continued)

(d) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred.

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising purposes.
- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the professional fees and other costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis to reflect the use of the resource. Costs relating to a particular activity are allocated directly. The resources expended in the operation of the Charity's central services system and central office which cannot be directly allocated are apportioned between the expenditure categories on the basis of the estimated amount of staff time involved in each activity.

(e) Fixed Assets

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, at varying rates:

Item	%	Basis
Fixtures and equipment	20	Straight line
Motor vehicles	20	Reducing balance

All fixed assets costing £500 and over are capitalised and initially recorded at cost.

Donated assets are brought in at their second hand value at the date of receipt.

(f) Pensions

The charitable company participates in a defined contribution pension scheme for the benefit of the employees, the regular costs of which are expended in the Statement of Financial Activities as and when incurred.

(g) Leases

All leases are regarded as operating leases and payments made under them are expended in the Statement of Financial Activities over the term of the lease.

(h) Stocks

New electrical goods stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Used furniture is not recognised in the stock valuation as these items have been donated free of charge to the company.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Total Funds 2016 £	Total Funds 2015 £
Sales Revenue		
Furniture and electrical goods	<u>153,368</u>	<u>107,096</u>
Sundry Income		
Miscellaneous income	<u>11,931</u>	<u>10,174</u>

3. TOTAL RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Depreciation £	Total 2016 £	Total 2015 £
Charitable Activities					
<i>Direct Costs</i>					
Staff Costs	32,269	-	-	32,269	34,074
Premises costs	-	23,602	279	23,881	21,149
Expenditure on projects	-	35,944	675	36,619	18,172
	<u>32,269</u>	<u>59,546</u>	<u>954</u>	<u>92,769</u>	<u>73,395</u>
<i>Support Costs</i>					
Staff Costs	19,361	-	-	19,361	20,445
Premises Costs	-	10,927	129	11,056	9,791
Expenditure on Projects	-	4,592	313	4,905	6,047
	<u>19,361</u>	<u>15,519</u>	<u>442</u>	<u>35,322</u>	<u>36,283</u>
	<u>51,630</u>	<u>75,065</u>	<u>1,396</u>	<u>128,091</u>	<u>109,678</u>
Costs of Generating Funds					
Staff Costs	2,582	-	-	2,582	2,726
Premises Costs	-	3,497	41	3,538	3,133
Other Costs	-	1,469	100	1,569	1,935
	<u>2,582</u>	<u>4,966</u>	<u>141</u>	<u>7,689</u>	<u>7,794</u>
Governance					
Staff Costs	10,326	-	-	10,326	10,904
Premises Costs	-	5,682	67	5,749	5,091
Other Costs	-	2,388	163	2,551	3,144
	<u>10,326</u>	<u>8,070</u>	<u>230</u>	<u>18,626</u>	<u>19,139</u>
TOTAL RESOURCES EXPENDED	<u>64,538</u>	<u>88,101</u>	<u>1,767</u>	<u>154,406</u>	<u>136,611</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

4. NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR

	<u>2016</u>	<u>2015</u>
	£	£
This is stated after charging:		
Depreciation	1,766	2,051
Operating lease rentals for land and buildings	24,128	24,128

There were no out of pocket expenses reimbursed to members of the Board of Trustees during the year to 31 March 2016, or in the previous year. No member of the Board of Trustees received any remuneration during the year.

5. STAFF COSTS AND NUMBERS

	<u>2016</u>	<u>2015</u>
	£	£
Staff costs were as follows:		
Salaries	62,889	66,390
Social security costs	1,649	1,759
Pension contributions	-	-
	<u>64,538</u>	<u>68,149</u>

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £Nil (2015 - £Nil). No employee received emoluments of more than £60,000.

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

	<u>2016</u>	<u>2015</u>
	No.	No.
Number of staff	<u>4</u>	<u>5</u>

6. TAXATION

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

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 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

7. TANGIBLE FIXED ASSETS

	<u>Fixtures & Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost			
At 1 April 2015	21,588	38,334	59,922
Additions	1,703	-	1,703
At 31 March 2016	<u>23,291</u>	<u>38,334</u>	<u>61,625</u>
Accumulated Depreciation			
At 1 April 2015	19,839	32,082	51,921
Charge for the year	516	1,250	1,766
At 31 March 2016	<u>20,355</u>	<u>33,332</u>	<u>53,687</u>
Net Book Values			
At 31 March 2016	<u>2,936</u>	<u>5,002</u>	<u>7,938</u>
At 31 March 2015	<u>1,749</u>	<u>6,252</u>	<u>8,001</u>

8. DEBTORS

	<u>2016</u> £	<u>2015</u> £
Trade debtors	8,675	5,047
Other debtors	15,415	17,100
	<u>24,090</u>	<u>22,147</u>

9. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	<u>2016</u> £	<u>2015</u> £
Trade creditors	1,800	41
Taxation and social security	1,442	973
Other creditors	2,131	2,623
	<u>5,373</u>	<u>3,637</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	<u>2016</u>	<u>2015</u>
	£	£
Expiring: Within one year	24,128	24,128

11. UNRESTRICTED FUNDS

Current year

	<u>General Fund</u>	<u>Asset Improvement Fund</u>	<u>Tangible Fixed Assets Fund</u>	<u>Total</u>
Balance at 1 April 2015	117,526	50,000	8,001	175,527
Net incoming resources	10,993	-	-	10,993
Transfer from tangible fixed assets fund	63	-	(63)	-
Balance at 31 March 2016	<u>128,582</u>	<u>50,000</u>	<u>7,938</u>	<u>186,520</u>

The asset improvement fund is a designated fund established by the charity to fund improvements to the charity's delivery fleet, lift maintenance and updating IT equipment to ensure that the technology within the charity reflects current practice in the workplace. The company purchased new equipment in the year costing £1,703 and the depreciation charge during the year was £1,766.

Previous year

	<u>General Fund</u>	<u>Asset Improvement Fund</u>	<u>Tangible Fixed Assets Fund</u>	<u>Total</u>
Balance at 1 April 2014	134,650	50,000	10,052	194,702
Net outgoing resources	(19,175)	-	-	(19,175)
Transfer from tangible fixed assets fund	2,051	-	(2,051)	-
Balance at 31 March 2015	<u>117,526</u>	<u>50,000</u>	<u>8,001</u>	<u>175,527</u>