

SOFA

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS**

**For the Year Ended
31 March 2010**

**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 2010

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2010.

Chairpersons Annual Report

It is with great pleasure that I am able to report to you that SOFA has had another successful year in delivering its three key services to our community. We have continued to recruit, train and support volunteers with the aim of finding them long term employment or introducing them to further educational opportunities. Our core group of referral agencies continue to direct those in need to us to receive help with essential items to maintain their homes and lives. Lastly the furniture donated to us has been effectively reused or recycled thereby diverting it from landfill and reducing the consumption of energy and raw materials.

The financial crisis and following recession had a significant impact on SOFA as the number of jobless grew, opportunities for employment reduced, sales of furniture in the retail market slumped and those in need increased. It is likely that these trends will continue following the spending review and many predict that the increase in VAT will have a significant effect on retail sales in the key areas we receive donations from. So we look forward to an increase in the demand for our services, possibly with a reduction in donations but at least we will contribute to the key outcomes required by our government. SOFA will be helping to return individuals to employment, helping to relieve distress to those in greatest need and all by voluntary effort. No worries about continued financial support from them for our work then.

I would like to thank our small but very committed staff group for their continued hard work and especially for their willingness to work flexibly when their colleagues are away or priorities change at short notice. Staff changes within a small organisation lead to significantly increased demands for those who remain.

“Serving or acting in a specified function of one’s own accord and without compulsion or promise of remuneration” is the Collins English Dictionary definition of voluntary and without this voluntary effort SOFA couldn’t continue its work. I would like to thank all the volunteers who come and offer their services. We have a wide range of tasks available including taking donation phone calls, work in our office, meet and greet our customers selling them furniture, moving stock in our warehouse, repairing furniture for display as well as those collecting and delivering on our vans. If you want to volunteer please give us a ring or drop in and we can explore opportunities for you.

Fortunately SOFA is a well established Leicestershire charity and we continue to receive lots of donations of furniture for recycling but we can always take more so if you know of anyone who has household goods that can be reused then give them our telephone number or direct them to our website for further information (www.sofareuse.org). We are still exploring with SERCO and Charnwood District Council how we can increase our reuse as well as recycling from their bulk waste collections as most of the household goods collected appear to be distress replacements with limited reuse potential.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

We continue to receive our essential financial support from Leicestershire County Council although there has been a significant change as our partnership had been with their Community Services Department. Unfortunately this Department has disappeared and we have been placed into a service called Adults & Communities. The main function of this service is adult social care and although their brief includes additions such as volunteering it appears to relate to voluntary work within County Council facilities. This has resulted in our role and purpose being outside of their agenda and an attempt at best fit has slotted us into their social care personalisation agenda where we certainly should not be. This could have a significant impact on how they decide our priority rating for the future and it seems difficult to see how a cross cutting provision such as SOFA will be able to ensure engagement across differing County Council services. SOFA looks forward to overcome these challenges.

Brian Granger

REFERENCE AND ADMINISTRATIVE INFORMATION

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

Board of Trustees

Brian Granger
Chris Muris
Val Brooke
Jane Hopper
Ellie Lowe
Fadhil Hassoun
Brian Tetley

Company Secretary and Chief Executive

Rosemary Blake

Staff

Nicola Hutton	-Training Officer
Suzanne Holland	-Training Administrator
Ken Toon	-Driver/Supervision
Stewart Turner	-Electrical Tester
Alex Ellis	-Customer Service Administrator
Gill Ford	-Saturday Sales
Celeste Fettes	-Saturday Sales
Linda Urquhart	-Finance Administrator
Jean Campbell	-Cleaner

SOFA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

REFERENCE AND ADMINISTRATIVE INFORMATION - CONTINUED

Registered Office and Operational Address

Ground Floor, Towles Building, Clarence Street, Nottingham Road, Loughborough, Leicestershire, LE11 1DY

Auditors

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

Bankers

NatWest Bank Plc, 92 Queens Road, Leicester, LE2 1SY
The Co-operative Bank, 77/79 Market Place, Leicester, LE1 5EN.

Leicestershire County Council Support Officer

Alison Maullin

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. 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 are 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.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT - CONTINUED

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.

OBJECTIVES AND ACTIVITIES

The charitable objectives for which the company is established are stated in the memorandum of association. The objects continued to be to relieve either generally or individually, persons resident in the City of Leicester 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 recycling 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

In 2009-10 SOFA recruited a total of 43 new volunteers. Six of these volunteers were referred to us by staff from Adult Social Care or Health workers and eight were passed to us from other voluntary organisations. The majority of starters were self referrals, 22, and 2 individuals were introduced by their friends. In total we had 73 volunteers working with us in the year for varying hours and over varying periods. Two volunteers completed an NVQ Level 2 in Business Administration one of whom has moved on to Level 3. Two volunteers passed the OCR Literature Qualification. Two Future Jobs Fund Trainees started their NVQ Level One in Customer Service.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

ACHIEVEMENTS AND PERFORMANCE - CONTINUED

In the year 2009-10 558 households were helped by SOFA with reduced price furniture, which is a decrease on the previous twelve month period. SOFA has over 70 referral agents of which the following use our services consistently;

Charnwood Neighbourhood Housing Services who referred 263 people (164 in the previous year)

CYPS - 36 people

CAB - 26 people

Health & Social Care - 54 people

59 agencies worked with us by referring customers who would be eligible for lower priced furniture an increase of 17 agencies.

Charnwood Independent Youth Action who referred 19 people

Enquire Advice agency who referred 23 people.

Other sales, made to the general public, are at a reasonable market price and income from those sales is used to further our charitable aims.

SOFA supported over 776 households by collecting their unwanted furniture and more people from the local area have been able to access SOFA by bringing their furniture to our site As a result of reusing this furniture we saved 80.7 tonnes of furniture and electrical appliances from going into landfill.

Thanks to:

- Leicestershire County Council – main funders and provider of our project officer under their Department of Health and Social Care
- Charnwood Borough Council
- SERCO
- Stephenson College and Loughborough College – providing NVQ assessments

FINANCIAL REVIEW

The Statement of Financial Activities for the year shows a surplus of £4,779.

Total Incoming Resources in the year increased to £152,061 (2009: £149,540).

The Balance Sheet shows that SOFA has total funds of £124,919, of which £20,265 is invested in tangible fixed assets and £15,000 designated for asset improvement. At 31 March 2010 there were no restricted fund balances so the actual free reserves of SOFA stood at £89,654

Relationships and Principal Funding Sources

The Organisation mainly works in partnership with the Leicestershire County Council who are the main funders of the Charity. It also works with various other parties, including housing associations and advice agencies in pursuit of its objects.

Investment Policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees see fit. The Charity has little in the way of funds for long term investment. In order to provide flexibility, the Charity operates an interest earning deposit account in which it holds the majority of its free reserves.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

FINANCIAL REVIEW - CONTINUED

Reserves Policy

The Trustees have considered the requirement for free reserves, which are those unrestricted funds not invested in tangible fixed assets or designated for specific purposes or otherwise committed. The Trustees consider that free reserves should be sufficient to provide for a period of one year's uninterrupted non-contract services, plus a further £25,000 to cover closure costs in the event of the service level agreements being ended.

Under this policy, the Trustees feel that the level of free reserves should be maintained at £75,000. This is satisfied by the current level of free reserves as at the 31 March 2010 amounting to £89,654.

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

PLANS FOR FUTURE PERIODS

We have started a new project with Charnwood Borough Council where they can do an "emergency referral". This is a referral for households who are "destitute" and cannot currently afford to pay even the lower price. The emergency referral lets them get certain essential items for free, and the cost is recovered later through Charnwood Borough Council. We are also planning to have an open day for referral agencies where we can review the referral policy and talk to them about any concerns or ideas they may have.

The partnership with Serco has prompted SOFA to make better use of the additional space now available to it on the first and second floors of the building. Although there are significant difficulties in making use of this space due to lack of electricity and lighting we will look for partner organisations wanting to store goods.

We plan to introduce a new and better two day induction process within our training program. New volunteers will be trained on day two of the induction before coming into the office or warehouse to work. This will ensure a more gradual introduction to our systems and procedures

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;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)

RESPONSIBILITIES OF THE BOARD OF TRUSTEES - CONTINUED

The Board of Trustees are 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 are 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.

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

A resolution to re-appoint Smith Emmerson Limited as auditor for the ensuing year will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities (issued in March 2005) 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 3rd November 2010 and signed on its behalf by:

.....  **B D Granger (Trustee)**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOFA

We have audited the financial statements of SOFA for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members as a body, in accordance with Section 235 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees' (who are also the directors of SOFA for the purposes of company law) responsibilities for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Report of the Board of Trustees is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Board of Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available to Small Entities, in the circumstances set out in note thirteen to the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2010 and of its incoming resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Report of the Board of Trustees is consistent with the financial statements.

Smith Emmerson Ltd.

Smith Emmerson Limited
Chartered Accountants and Registered Auditors
Ash Tree Court
Nottingham Business Park
Nottinghamshire
NG8 6PY

11 November 2010

SOFA

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2010

	<u>Note</u>	<u>Total Funds</u> <u>2010</u> £	<u>Total Funds</u> <u>2009</u> £
INCOMING RESOURCES			
Incoming Resources from Generated Funds :			
<i>Voluntary Income</i>	2	3,000	8,500
<i>Investment Income</i>		80	609
Incoming resources from Charitable Activities :			
<i>Service Level Agreements</i>	3	100,020	97,580
<i>Sales Revenues</i>	3	33,234	38,229
<i>Sundry Income</i>	3	15,727	4,622
Total Incoming Resources		152,061	149,540
RESOURCES EXPENDED			
Costs of generating funds			
Charitable activities		8,776	7,837
Governance costs		117,105	102,645
		21,401	18,658
Total Resources Expended	4	147,282	129,140
Net Incoming Resources		4,779	20,400
Transfers between Funds		-	-
Net movement on Funds		4,779	20,400
Total funds brought forward		120,140	99,740
Total funds carried forward		124,919	120,140

The notes on pages 12 to 18 form part of these financial statements.

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

SOFA

BALANCE SHEET AS AT 31 MARCH 2010

	<u>Note</u>	<u>2010</u> £	<u>2009</u> £
Fixed Assets	8	20,265	29,187
Current Assets			
Debtors	9	14,855	17,306
Cash at bank and in hand		106,850	87,963
		<u>121,705</u>	<u>105,269</u>
Creditors			
Amounts falling due within one year	10	(17,051)	(14,316)
Net Current Assets		<u>104,654</u>	<u>90,953</u>
Net Assets	11	<u>124,919</u>	<u>120,140</u>
Funds			
Restricted		-	-
General	12	<u>124,919</u>	<u>120,140</u>
Total Funds		<u>124,919</u>	<u>120,140</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees on 3 November 2010 and signed on its behalf by:


..... **B D Granger (Trustee)**

The notes on pages 12 to 18 form part of these financial statements.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

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 June 2008) and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(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.

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

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 audit fees and 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 more than £500 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.

SOFA
 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

2. VOLUNTARY INCOME

	Total Funds 2010 £	Total Funds 2009 £
Government and other public authorities	<u>3,000</u>	<u>8,500</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Total Funds 2010 £	Total Funds 2009 £
Service Level Agreements Leicestershire County Council	<u>100,020</u>	<u>97,580</u>
Sales Revenue Furniture sales	<u>33,234</u>	<u>38,229</u>
Sundry Income Miscellaneous income	<u>15,727</u>	<u>4,622</u>

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

4. TOTAL RESOURCES EXPENDED

	<u>Staff Costs</u> £	<u>Other Costs</u> £	<u>Depreciation</u> £	<u>Total 2010</u> £	<u>Total 2009</u> £
Charitable Activities					
<i>Direct Costs</i>					
Staff Costs	37,579	-	-	37,579	31,185
Premises costs	-	20,513	449	20,962	19,415
Expenditure on projects	-	14,026	3,958	17,984	16,640
	<u>37,579</u>	<u>34,539</u>	<u>4,407</u>	<u>76,525</u>	<u>67,240</u>
<i>Support Costs</i>					
Staff Costs	22,548	-	-	22,548	18,711
Premises Costs	-	9,497	208	9,705	8,989
Expenditure on Projects	-	6,494	1,833	8,327	7,705
	<u>60,127</u>	<u>50,530</u>	<u>6,448</u>	<u>117,105</u>	<u>102,645</u>
Costs of Generating Funds					
Staff Costs	3,006	-	-	3,006	2,495
Premises Costs	-	3,039	67	3,106	2,876
Other Costs	-	2,078	586	2,664	2,466
	<u>3,006</u>	<u>5,117</u>	<u>653</u>	<u>8,776</u>	<u>7,837</u>
Governance					
Staff Costs	12,025	-	-	12,025	9,979
Premises Costs	-	4,938	108	5,046	4,673
Other Costs	-	3,377	953	4,330	4,006
	<u>12,025</u>	<u>8,315</u>	<u>1,061</u>	<u>21,401</u>	<u>18,658</u>
TOTAL RESOURCES EXPENDED	<u>75,158</u>	<u>63,962</u>	<u>8,162</u>	<u>147,282</u>	<u>129,140</u>

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

5. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:	<u>2010</u> £	<u>2009</u> £
Depreciation	8,162	5,520
Profit on disposal of assets	475	-
Operating lease rentals for land and buildings	24,122	24,120
Auditors' remuneration – audit services	2,650	1,100
Auditors' remuneration – other services	410	900
	<u> </u>	<u> </u>

Out of pocket expenses were reimbursed to members of the Board of Trustees amounting to £250 (2009 - £83). No member of the Board of Trustees received any remuneration during the year.

6. STAFF COSTS AND NUMBERS

Staff costs were as follows:	<u>2010</u> £	<u>2009</u> £
Salaries	69,258	57,972
Social security costs	4,257	3,730
Pension contributions	1,643	668
	<u>75,158</u>	<u>62,370</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 £1,643 (2009 - £668). Unpaid contributions at the balance sheet date amounted to £NIL (2009 - Nil). No employee received emoluments of more than £60,000.

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

	<u>2010</u> No.	<u>2009</u> No.
Number of staff	<u>10</u>	<u>9</u>

7. TAXATION

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

SOFA
 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

8. TANGIBLE FIXED ASSETS

	<u>Fixtures & Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost			
At 1 April 2009	26,486	52,184	78,670
Disposals	<u>(4,115)</u>	<u>(13,850)</u>	<u>(17,965)</u>
At 31 March 2010	<u>22,371</u>	<u>38,334</u>	<u>60,705</u>
Accumulated Depreciation			
At 1 April 2009	21,907	27,576	49,483
Charge for the year	3,393	4,769	8,162
Disposals	<u>(4,115)</u>	<u>(13,090)</u>	<u>(17,205)</u>
At 31 March 2010	<u>21,185</u>	<u>19,255</u>	<u>40,440</u>
Net Book Values			
At 31 March 2010	<u>1,186</u>	<u>19,079</u>	<u>20,265</u>
At 31 March 2009	<u>4,579</u>	<u>24,608</u>	<u>29,187</u>

9. DEBTORS

	<u>2010</u> £	<u>2009</u> £
Trade debtors	392	605
Other debtors	14,463	16,701
	<u>14,855</u>	<u>17,306</u>

10. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	<u>2010</u> £	<u>2009</u> £
Trade creditors	1,626	3,523
Taxation and social security	3,050	1,358
Other creditors	12,375	9,435
	<u>17,051</u>	<u>14,316</u>

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

11. OPERATING LEASE COMMITMENTS

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

	<u>2010</u> £	<u>2009</u> £
Expiring:		
Between one and five years	<u>24,120</u>	<u>24,120</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u>
Tangible fixed assets	20,265	-	20,265
Net current assets	<u>104,654</u>	<u>-</u>	<u>104,654</u>
Net assets at 31 March 2010	<u>124,919</u>	<u>-</u>	<u>124,919</u>

13. UNRESTRICTED FUNDS

	<u>General</u> <u>Fund</u>	<u>Asset</u> <u>Improvement</u> <u>Fund</u>	<u>Tangible</u> <u>Fixed</u> <u>Assets Fund</u>	<u>Total</u>
Balance at 1 April 2009	75,953	15,000	29,187	120,140
Net incoming resources	4,779	-	-	4,779
Transfers	<u>8,922</u>	<u>-</u>	<u>(8,922)</u>	<u>-</u>
Balance at 31 March 2010	<u>89,654</u>	<u>15,000</u>	<u>20,265</u>	<u>124,919</u>

The asset improvement fund is a designated fund established by the charity to fund improvements to the charity's delivery fleet, extension to the sales office, new overhead lighting on the second floor of the warehouse and ensure that the technology within the charity reflects current practice in the workplace. During the year, the charity disposed of assets with a net book value of £760. The depreciation charge during the year was £8,162.

13. AUDITORS

In common with many other organisations of our size and nature we use our auditors to assist with the preparation of the financial statements.

