

SOFA
ANNUAL REPORT
AND
FINANCIAL STATEMENTS

For the Year Ended
31 March 2017

Company Registration Number: 02587766
Registered Charity Number: 1002980

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SOFA
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SOFA

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Board of Trustees presents its report and the financial statements for the year ended 31 March 2017.

Chairpersons Annual Report

While manufacturing new products drains our limited natural resources, and disposing of unwanted materials pollutes our environment, many householders also face difficulties getting the affordable goods they need to furnish their homes. Sofa seeks to combine resolution to these challenges by taking useful goods no longer needed by their owners and making them available for reuse at affordable prices, with additional discounts to individuals referred to us by helping agencies. Although Sofa has a core group of paid staff we rely heavily on volunteers to carry out these activities. Amongst these volunteers are many who are donating their time to support the important work we do as a charity, but we also provide opportunities for volunteers to improve their life skills to enhance their journey into further training or full time employment.

Sofa has had another successful year in meeting its charitable objectives by relieving hardship through the supply of furniture to 3,206 households referred by helping agencies as being in need which means we supplied 9,298 items a 27.73% increase on the previous year. We supported a total of 52 volunteers of which 7 moved into employment or full time education. Our contribution to saving the environment is that we diverted 171.2 tonnes of goods from landfill and redirected those goods to reuse. All of this has been achieved without any grant aid, but by the generosity of those who have donated their household goods to us for reuse and by the hard work of our staff supported by our volunteers collecting and selling these goods.

We have managed in the last year by very careful use of our resources to achieve a surplus of income over expenditure of £16,214 which has been added to reserves. Although we operate within our budget, Sofa still remains in an uncertain situation due to the short lease which we have been unable to extend and the redevelopment of the surrounding area where our building is located. We have been very fortunate that our current building provides so much space for our activities at such a reasonable rent.

Sofa goes forward with every expectation that we will maintain and develop our activities in the next year and that we will be able to adjust quickly to meet the many challenges of our current times.

As I said last year 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 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 2017
(Continued)

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

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
Salim Nagdi	-Administration Assistant
Jonathan Goode	-Warehouse/Van Assistant
Kerry Wood-May	-Cleaner

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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FOR THE YEAR ENDED 31 MARCH 2017
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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. Our joint Chief Executive Officers are responsible for the day-to-day organisation and delivery of services.

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017
(Continued)

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.

Increasingly important for the charity is our environmental role in diverting items from landfill and ensuring their reuse.

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 The core members of our staff group have been retained by the charity over the past year and we have appointed three additional part time staff members to ensure our ability to maintain our service and increase reuse of household goods.

Volunteers

Over the year we worked with 52 volunteers. We began with 31 volunteers and went on to recruit another 26. We have provided work placements for 3 trainees and 7 volunteers have moved into employment. We ended the year with 19 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 43.5% of our cohort.

We have been able to further support our volunteers over the last year by the introduction of a volunteers lunch allowance.

Our annual Christmas event for volunteers with a hog roast was a hugely successful event and volunteers summer celebration day with a BBQ along with raffle prizes was greatly enjoyed.

Justin - Volunteer

"After a period of unemployment I joined SOFA for something to do during the days. The experience has given me a new sense of purpose in looking for a job and I was able to secure one after working at SOFA for 6 months. Thanks to all the team for their work and good spirits."

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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017
(Continued)

Tom – Art Students (Loughborough University)

“As a Fine Art student at Loughborough University and a local resident of Loughborough I have found the SOFA charity to be of help and support on a multitude of projects. Through its friendly and welcoming approach SOFA has enabled myself and fellow students to construct some exciting and imaginative art work.

In 2015 myself and 19 other artists from Loughborough were invited into the SOFA Warehouse and were given the freedom to create our very own exhibition. Entitled 'The Nine Frames Project', this exhibition brought together a diverse and enthusiastic range of artists that were in turn happy to share their ideas and their work with the public. As the majority of artists that took part derived from Loughborough University, the exhibition itself was a very positive and thought provoking collaboration between the University and the SOFA Charity. In the realization of such a project SOFA provided unwavering support and interest, resulting in an altogether positive and fun experience.”

Referred Customers and Referral Agencies

A total of 3,206 individual orders of furniture and appliances were sold to people who had been referred to us as being in genuine need of reduced price furniture. This represents 27.73% increase compared to last year's figures with a total of 9,398 individual items

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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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017
(Continued)

Sales to the General Public

A total of 1,686 items of 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 665 sales compared with previous year a 65.13% 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.

Donations and Diversion from Landfill

We gratefully received help from 2,374 households and collected 9,465 reusable items during this year and further 1,893 reusable items were donated at our door. This year we diverted 171.2 tonnes of furniture and electrical appliances from landfill representing a 19.97% increase 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, graded and reused stock
- Fitted Lights on both shop floors above ground floor and re-commissioned all emergency lights for safety purposes.
- Improved customer safety by installing safety barriers around our furniture assembly zone.
- Improved our security by installation of two metal security doors to our building from our car park after they had proved vulnerable to forced entry.
- Acquired an additional van to increase capacity on our delivery/collection service.
- After an independent Health & Safety inspection we carried out an extensive programme of improvements including access to lift machinery, the covering of a drain way in the car park, installation of a speed ramp in our access tunnel, a complete inspection and improvement of our electrical system and we excluded all static water tanks and dead water runs.
- Built a stock control office next to our goods entrance to improve the labelling of all donated items as they arrive.

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FOR THE YEAR ENDED 31 MARCH 2017
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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
- Leicester City Council
- Charnwood Borough Council Environmental Services
- Leicestershire & Rutland Reuse Network
- Voluntary Action Leicestershire
- Cuttlefish

FINANCIAL REVIEW

The Statement of Financial Activities for the year shows a surplus of £16,214 (2016: surplus of £10,993).

Total Incoming Resources in the year increased to £253,777 (2016: £165,399), primarily due to an increase in furniture and new electrical equipment sales.

The Balance Sheet shows that SOFA has total unrestricted funds of £202,734, of which £9,708 is invested in tangible fixed assets and £50,000 is designated for asset improvement.

Relationships and Principal Funding Sources

Our principle funding source remains 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 to us 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 for its members from WRAP which enabled the introduction of a stock control system although this yet to become fully operational. SOFA is also a member of FRN which is the national support organisation for reuse 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.

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FOR THE YEAR ENDED 31 MARCH 2017
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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 have reviewed their policy but continue to consider that it is necessary to hold reserves at a level that will ensure that the operational charitable objectives can continue to be met at a time that there is much fluidity in the economic situation. 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 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 against total resources expended gives just under eight months operating costs, which is a slightly more than 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:

- Complete our review of the staffing provision within the charity.
- Improve the offer to our volunteers especially including them in a range of online courses which will improve their workplace search opportunities.
- Develop our stock control system to enable us to effectively use Gift Aid.
- Further secure our building against illegal entry.
- Modernise our telephone system to include the facility to record conversations for training purposes.

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.

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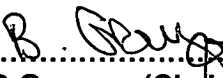
The Board of Trustees is responsible for maintaining proper records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible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

This report has been prepared in accordance with 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).

Approved by order of the board of trustees on 29/11/2017 and signed on its behalf by:


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

SOFA

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOFA FOR THE YEAR ENDED 31 MARCH 2017

I report on the accounts for the year ended 31 March 2017, 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(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

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 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 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. An 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 you as 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 statements 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 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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).

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: 29/11/2017

SOFA

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2017**

	<u>Note</u>	Total Funds <u>2017</u> £	Total Funds <u>2016</u> £
INCOMING RESOURCES			
Incoming Resources from Generated Funds :			
<i>Investment Income</i>		52	100
Incoming resources from Charitable Activities :			
<i>Sales Revenues</i>	2	239,285	153,368
<i>Sundry Income</i>	2	14,440	11,931
Total Incoming Resources		253,777	165,399
RESOURCES EXPENDED			
Costs of generating funds		10,571	7,689
Charitable activities		202,745	128,091
Governance costs		24,247	18,626
Total Resources Expended	3	237,563	154,406
Net Incoming Resources		16,214	10,993
Transfers between Funds		-	-
Net movement on Funds		16,214	10,993
Total funds brought forward		186,520	175,527
Total funds carried forward		202,734	186,520

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

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

SOFA

BALANCE SHEET AS AT 31 MARCH 2017

	<u>Note</u>	<u>2017</u> £	<u>2016</u> £
Fixed Assets	7	9,708	7,938
Current Assets			
Stock		15,074	5,642
Debtors	8	64,894	24,090
Cash at bank and in hand		133,896	154,223
		213,864	183,955
Creditors			
Amounts falling due within one year	9	(20,838)	(5,373)
Net Current Assets		193,026	178,582
Net Assets		202,734	186,520
Funds			
Restricted		-	-
General	11	202,734	186,520
Total Funds		202,734	186,520

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 trustees acknowledge their responsibility for

- 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 at the end of each financial year and of its surplus or deficit for each financial year in 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 small charitable companies.

The financial statements were approved by the Board of Trustees on 29/11/2017 and signed on its behalf by:

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

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

SOFA

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

(a) Basis of Accounting

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.

(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 2017

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) Taxation

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

(f) 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 market value at the date of receipt.

(g) 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.

(h) 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.

(i) 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.

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>Total Funds</u> <u>2017</u> £	<u>Total Funds</u> <u>2016</u> £
Sales Revenue		
Furniture and electrical goods	<u>239,285</u>	<u>153,368</u>
Sundry Income		
Miscellaneous income	<u>14,440</u>	<u>11,931</u>

3. TOTAL RESOURCES EXPENDED

	<u>Staff</u> <u>Costs</u> £	<u>Other</u> <u>Costs</u> £	<u>Depreciation</u> £	<u>Total</u> <u>2017</u> £	<u>Total</u> <u>2016</u> £
Charitable Activities					
<i>Direct Costs</i>					
Staff Costs	37,195	-	-	37,195	32,269
Premises costs	-	32,580	448	33,028	23,881
Expenditure on projects	-	85,443	1,026	86,469	36,619
	<u>37,195</u>	<u>118,023</u>	<u>1,474</u>	<u>156,692</u>	<u>92,769</u>
<i>Support Costs</i>					
Staff Costs	22,317	-	-	22,317	19,361
Premises Costs	-	15,084	207	15,291	11,056
Expenditure on Projects	-	7,970	475	8,445	4,905
	<u>59,512</u>	<u>141,077</u>	<u>2,156</u>	<u>202,745</u>	<u>128,091</u>
Costs of Generating Funds					
Staff Costs	2,976	-	-	2,976	2,582
Premises Costs	-	4,827	66	4,893	3,538
Other Costs	-	2,550	152	2,702	1,569
	<u>2,976</u>	<u>7,377</u>	<u>218</u>	<u>10,571</u>	<u>7,689</u>
Governance					
Staff Costs	11,903	-	-	11,903	10,326
Premises Costs	-	7,844	108	7,952	5,749
Other Costs	-	4,145	247	4,392	2,551
	<u>11,903</u>	<u>11,989</u>	<u>355</u>	<u>24,247</u>	<u>18,626</u>
TOTAL RESOURCES EXPENDED	<u>74,391</u>	<u>160,443</u>	<u>2,729</u>	<u>237,563</u>	<u>154,406</u>

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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

This is stated after charging:	<u>2017</u> £	<u>2016</u> £
Depreciation	2,729	1,766
Operating lease rentals for land and buildings	24,128	24,128

Out of pocket travelling expenses reimbursed to members of the Board of Trustees during the year to 31 March 2017 totalled £122 (2016 - £Nil). No member of the Board of Trustees received any remuneration during the year.

5. STAFF COSTS AND NUMBERS

Staff costs were as follows:	<u>2017</u> £	<u>2016</u> £
Salaries	72,967	62,889
Social security costs	1,186	1,649
Pension contributions	238	-
	<u>74,391</u>	<u>64,538</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 contributions payable by the company at the balance sheet date amounted to £70 (2016 - £Nil). No employee received emoluments of more than £60,000.

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

	<u>2017</u> No.	<u>2016</u> No.
Number of staff	<u>9</u>	<u>6</u>

6. TAXATION

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

SOFA
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

7. TANGIBLE FIXED ASSETS

	<u>Fixtures & Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost			
At 1 April 2016	23,291	38,334	61,625
Additions	-	4,499	4,499
At 31 March 2017	<u>23,291</u>	<u>42,833</u>	<u>66,124</u>
Accumulated Depreciation			
At 1 April 2016	20,355	33,332	53,687
Charge for the year	829	1,900	2,729
At 31 March 2017	<u>21,184</u>	<u>35,232</u>	<u>56,416</u>
Net Book Values			
At 31 March 2017	<u>2,107</u>	<u>7,601</u>	<u>9,708</u>
At 31 March 2016	<u>2,936</u>	<u>5,002</u>	<u>7,938</u>

8. DEBTORS

	<u>2017</u> £	<u>2016</u> £
Trade debtors	49,076	8,675
Other debtors	15,818	15,415
	<u>64,894</u>	<u>24,090</u>

9. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	<u>2017</u> £	<u>2016</u> £
Trade creditors	1,822	1,800
Taxation and social security	9,176	1,442
Other creditors	9,840	2,131
	<u>20,838</u>	<u>5,373</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

10. OPERATING LEASE COMMITMENTS

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

	<u>2017</u>	<u>2016</u>
	£	£
Expiring:		
Within one year	8,043	8,043
	<u>8,043</u>	<u>8,043</u>

11. UNRESTRICTED FUNDS

Current year

	<u>General</u> <u>Fund</u>	<u>Asset</u> <u>Improvement</u> <u>Fund</u>	<u>Tangible</u> <u>Fixed</u> <u>Assets</u> <u>Fund</u>	<u>Total</u>
Balance at 1 April 2016	128,582	50,000	7,938	186,520
Net incoming resources	16,214	-	-	16,214
Transfer from tangible fixed assets fund	<u>(1,770)</u>	<u>-</u>	<u>1,770</u>	<u>-</u>
Balance at 31 March 2017	<u>143,026</u>	<u>50,000</u>	<u>9,708</u>	<u>202,734</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 £4,499 and the depreciation charge during the year was £2,729.

Previous year

	<u>General</u> <u>Fund</u>	<u>Asset</u> <u>Improvement</u> <u>Fund</u>	<u>Tangible</u> <u>Fixed</u> <u>Assets</u> <u>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	<u>63</u>	<u>-</u>	<u>(63)</u>	<u>-</u>
Balance at 31 March 2016	<u>128,582</u>	<u>50,000</u>	<u>7,938</u>	<u>186,520</u>