

**BRIGHTON AND HOVE SOCIAL WELFARE
AND EDUCATIONAL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019**

**BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
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FOR THE YEAR ENDED 31ST MARCH 2019**

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**BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019**

Name of charity

Brighton & Hove Social Welfare and Educational Trust Ltd

Other names by which the charity is known

Resource Centre

Registered Charity number 287516

Address

Resource Centre, Prior House, 6 Tilbury Place, Brighton BN2 0GY

Website address

www.resourcecentre.org.uk

Facebook page

www.facebook.com/ResourceCentreBH

Twitter

[@ResourceCtrBH](https://twitter.com/ResourceCtrBH)

Trustees and Directors (Management Committee)

| | |
|--------------------------------------|--------------------------------------|
| Awel Harun Abdo (elected 24/10/2018) | Ann Packham |
| Rob Berry | Sohna Sosseh |
| Muriel Briault | Beryl Tucknott (resigned 24/10/2018) |
| Roy Crowhurst (resigned 7/2/19) | Jason Williams |
| Barry Hughes | |

The chair of the Management Committee is Rob Berry

Staff team responsible for day to day management of the charity

| | |
|-----------------------------|-------------------------------|
| Dani Ahrens | Kate Chapman |
| Judy Goss | Alan Gray |
| Kate Page | Rebecca Luton (from 7/1/2019) |
| Rose Rickford (to 7/9/2018) | Mireille Shimoda |

Registered Company number

1730256 England and Wales

Company secretary

Judy Goss

Registered office

Resource Centre, Prior House, 6 Tilbury Place, Brighton BN2 0GY

VAT registration number

861 1001 75

Accountants

Marks & Co, Chartered Accountants, 100 Church Street, Brighton BN1 1UJ

Bank

Lloyds, North Street, Brighton BN1 1PX

**BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019**

The trustees, who are also the directors of the company, present their report and accounts for the year ended 31st March 2019.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Constitution of the charity

The charity is registered as Brighton & Hove Social Welfare and Educational Trust Ltd but operates under the name of Resource Centre. It is constituted as a company limited by guarantee and is governed by its Memorandum & Articles of Association. The charitable company was set up on 8th June 1983, although the Resource Centre has been in existence since 1975.

Governance

The Resource Centre is accountable to the residents of Brighton & Hove through a Council of users. The Council is a sub-committee of the company and membership is open to any community group which is

- Based in an area of social housing and run by local residents;
- Primarily composed of, and run by, disabled people;
- Primarily composed of, and run by, people from minority ethnic backgrounds.

We have 157 member groups (April 2019). Our member groups elect a Management Committee at the AGM in October.

The Management Committee is responsible for the general management of the charity and its members are trustees and directors of the charitable company.

The Trustees set the direction and policies of the charity; their role is one of oversight and guidance rather than active involvement in the daily work. Day-to-day management is delegated to the staff group. We have seven members of staff who are organised as a team with no line management. Two staff members are responsible for reporting to the Management Committee.

Prior to election, potential trustees are advised of their duties and responsibilities. Once elected, trustees are given a full induction into our work and their own legal responsibilities. They are given an information pack providing details of the governance and policies of the charity and general trustee guidance. Training in areas such as health & safety or charity law is provided as and when required. As all our trustees are active members of groups that use the Resource Centre regularly, they have a sound underlying understanding of the day to day work of the centre.

Objects of the charity

The legal objects are "To promote any charitable purpose for the benefit of the inhabitants of Brighton & Hove and the surrounding area and in particular to relieve poverty and sickness, to preserve and protect public health, to advance public education and to provide facilities in the interests of social welfare for the recreation or other leisure time occupation of the said inhabitants with the object of improving their conditions of life."

We work to achieve these objects by helping to build a stronger community sector. In 2018-19 the centre was used by 834 groups, of which 725 were based in Brighton and Hove. These groups make a major contribution to the city by providing services and activities which are lacking, participating in consultation structures, and creating a space for communities to come together. This voluntary activity imparts considerable benefits to neighbourhoods and communities of interest and to the city as a whole.

Public Benefit

The trustees are mindful of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. We have referred to this guidance when reviewing our aims and objectives and in planning our future activities. We believe the summary of our activities, outlined below, demonstrates our commitment to creating a public benefit in all our work.

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019

Principal activities

We provide practical support to community and voluntary organisations and to statutory organisations working in the community. We are open to all such organisations but our emphasis is on support to smaller community groups. We give particular attention to small groups based in communities that face additional barriers to effective organisation: groups based in areas of social housing; black and minority ethnic communities; and the disabled community. We refer to such groups as "Priority Groups" and invite them to become members.

We have a broad range of services designed to support both neighbourhood and city-wide voluntary activity. We provide equipment, information, advice, consultancy, and training in the skills needed to organise effectively. Our role is to support people to carry out work on behalf of their organisations so that they develop greater confidence in their ability to be active in the community and so that skills are spread more widely.

We work with other local service providers from both the voluntary and statutory sectors. We have formed a partnership with Community Works and other specialist infrastructure and community development organisations in the city to deliver Brighton and Hove City Council's 'Third Sector Infrastructure Support' Prospectus from April 2017 to March 2020.

Our services

Summary of the main achievements during the year

834 different groups visited the centre during the year. 725 of these were groups based in Brighton & Hove. Many groups use us regularly to support their work, and there were a total of 2,757 visits to the centre during the year.

In addition to these visits and phone calls to the Centre, our website is heavily used and popular with groups in Brighton and Hove as well as nationally and internationally. In 2018-19 our website was used by 8,204 different users in Brighton and Hove and almost 481,958 users worldwide.

We have established profiles on Facebook and Twitter which forms an integrated part of our overall communication strategy, enabling us to make contact with new groups as they emerge and to share news widely.

We aim to provide a 'one stop shop' for community groups and many of the 2,757 visits mentioned above will involve the use of more than one service. For example, a group collecting equipment for an event may also print their programmes whilst they're in the centre; a group arranging for their accounts to be examined may also ask for advice on the way their committee works together; somebody booking equipment may also request advice on health & safety or insurance for their event.

We carefully monitor the use of services to check they are still valuable to groups. The breakdown of usage by service is as follows:

Use of services

Our face-to-face services were used 5,400 times during the year :

| | |
|--|-------|
| Community Print Room | 2,551 |
| Equipment Hire service | 1,921 |
| Information and Advice on Demand service | 321 |
| Special Support for priority groups | 607 |

In addition, there were 581,489 visits to our website.

Equipment services

These are consistently the most widely used face-to-face services and fall into two broad areas: community print and equipment for hire.

Groups need to communicate among their organisers, with their members and with the wider public. The majority of our user groups have no premises and many have no access to even basic facilities which larger organisations take for granted. We provide the equipment, training and back-up to enable groups to communicate effectively.

The Community Print Room provides specialised equipment for printing, folding, binding and laminating. Groups made 2,551 uses of our print equipment in the year to produce publications such as leaflets, posters, banners, annual reports and newsletters.

**BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019**

With the growing importance of social media, and the increase of low cost colour printing online, there has been a predictable decrease in the use of our print room. The picture however is complex. Comparing this year (2,551 uses) with ten years ago (2,756 uses) print is roughly 10% down. The decline however has been anything but steady. From 2008-2009 reprographic use actually rose significantly to a peak of 3,265 in 2012-13 before dropping back to the current level.

Clearly then social media is not the only factor at work. As important is whether we can raise sufficient funds to upgrade print equipment to meet the developing needs of groups. While some groups are moving away from print entirely many still find it an important part of their work. These groups will continue to value our service as long as we are able to raise the funds to update equipment and provide the quality and range of print they now need. While we are carefully monitoring what is happening we therefore anticipate continued demand for our print service in at least the medium term.

Equipment for hire falls into three broad areas. Firstly, we have a range of equipment for meetings of all sizes and for other indoor events such as training sessions and social evenings. Secondly, our fundraising equipment is used by groups organising activities such as a fun day or a stall at a fete. These activities are the main source of funds for many small groups. Thirdly, we have a range of equipment for play activities for children. Again we provide training in use of the equipment when groups collect it from the centre.

This year there were 1,921 equipment hire uses:

| | |
|--|-----|
| Equipment for Meetings and Indoor Events | 556 |
| Fundraising equipment | 925 |
| Play equipment | 440 |

Use of this service has remained fairly constant, with minor fluctuations. For the last few years. The high use reflects the fact that groups find this service really important for their work and, as many groups tell us, provides equipment they cannot get elsewhere. This is especially true for small groups who don't have their own equipment.

Information service

Groups require a huge range of information in their daily activities. The bulk of it is practical, the answer to problems which arise in their work. Our Information service helps with every aspect of organising, from detailed questions about the responsibilities of a management committee to a straightforward request for details of a funder.

We provide a wide range of information sheets, all of which have been written in response to our work with groups. Thus, if we receive several queries about a specific issue, we will consider whether a new information sheet would be useful to groups. We use the information sheets in our advice work with groups, and use any feedback we receive to improve and update the sheets.

Our information sheets are also widely used by other voluntary sector training providers in the city, and are linked to by many websites around the country.

Almost all of our information is now available free-of charge to groups through our website. The service continues to be used at a very high level, with 581,489 visits in total, of which 523,656 included views of information pages.

In-depth advice and support was given to groups by front desk workers on 287 occasions during the year. Groups receiving advice will often be provided with relevant information sheets and are encouraged to pop-in again or phone the centre if they need follow-up support or have quick questions they need an answer to.

Groups are also free to pick up information sheets from the racks in the centre when they come in to print or pick up equipment.

Support for priority groups

As outlined above we give particular attention to small groups based in communities that face additional barriers to effective organisation: groups based in areas of social housing; black and minority ethnic communities; and the disabled community. For these groups we provide tailor-made advice, consultancy and practical help.

During the year, the service was used 607 times and included

- Advice on areas such as fundraising strategies, writing funding bids and developing constitutions;
- Help with financial matters;
- Training in practical skills such as chairing meetings, book-keeping and computer skills; and
- The preparation of leaflets and newsletters.

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019

This year we did 237 pre-booked advice sessions. These are sessions which generally cover major issues for groups such as fundraising strategy, setting up accounts or training in the role of officers. The demand for this service is heavy and has been growing over the last years. This reflects the increasing difficulty marginalised groups and their members have in the current climate, and the complexity of many of the problems they face.

This year the number of sessions levelled off. However, this reflects the fact that for part of the year we were missing a worker rather than a slackening of demand which continues to rise. It is a challenge to meet the growing needs of groups in this area with our current resources and, unfortunately, we therefore often have longer waiting lists for these sessions than we would like.

In addition to the pre-booked advice sessions we carried out 287 Quick Support sessions on the Front Desk, 80 Examinations of Accounts, and 290 design, layout and print tasks for our priority groups. Account examinations help build groups' confidence that their money is being handled properly and give them the tools to report clearly to members and to funders. The design and print service enables groups who are less able to produce their own materials to communicate clearly with their members and the wider public.

Future developments

We have published a three year business plan for 2017-20, outlining our priorities and plans for the current period. Our Theory of Change document (included in the business plan) illustrates how our services combine to further our overall aim of supporting strong, active communities in Brighton & Hove.

Looking beyond this period we don't anticipate any major changes in our focus: we will continue to provide high quality support to small groups in the city, and in particular our priority groups.

While our focus is unchanged we constantly make incremental changes to services to reflect developments in the broader society and the voluntary sector and, in particular, the changing needs of our users. The two major developments we anticipate are :

- Continuing discussions among staff, trustees and users about the print service to ensure the service meets the changing needs of groups. Raising funds to implement the outcome of these discussions.
- Discussions to continue and develop our partnership with other specialist organisations to provide the City Council's 'Third Sector Infrastructure Support' programme. We are currently in the third year of a 3 year commission to deliver this programme and expect to bid in October 2019 for a renewal of this commission from April 2020. Feedback on the current programme has been positive and we are optimistic this major strand of our funding will be renewed.

Our business plan gives more detail on the services we will provide and how we will monitor and evaluate the impact of our work.

Risk Management

The trustees have again conducted a review of the main risks which may affect the future of the charity and of the measures in place to mitigate those risks. We have considered

- Management and direction, and potential risks such as lack of forward planning or loss of key staff
- Operational risks such as failure to meet priorities or to provide a good service
- External risks such as bad publicity or changes in government policy
- Compliance with regulations and company law
- Financial risks

With strong policies and experienced staff we are confident we have the ability to deal with risks in each of these areas.

As with many charities however the area where we have least control is the financial one. Looking at the next two years we are secure: our ability to raise funds from our own activities is strong and we have 18 months of agreed Council funding. We also have reserves to cover any shortfall.

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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019**

From April 2021 the situation is inevitably less certain. Almost no voluntary organisation has the luxury of secure long term funding but we have reason to be fairly confident. Most importantly we know that we are providing a well-run, cost effective service that is used by hundreds of groups in the city. This means we have strong support from local councillors and a good possibility of maintaining the City Council support we have received for more than 30 years.

Despite this confidence we will obviously continue to be prudent in our management of funds.

Specifically we will

- Ensure that our prices are set at a level which make our services available to groups but ensure a reasonable contribution to the running costs of the Centre
- Continue to keep a close watch on outgoings to ensure all expenditure provides value for money
- Seek to raise money from trusts to pay for the aspects of our work which are currently unfunded and to upgrade our equipment where possible

With strong financial management and good local support we are as confident as we can be of mitigating financial risks.

Financial activities

The Statement of Financial Activities shows net expenditure of £11,867.

Our reserves stand at £62,168 of which £3,768 are restricted funds.

We received funding of :

- £89,853 from Brighton & Hove City Council Communities, Equality & Third Sector Team through the Prospectus for Third Sector Infrastructure Support. This supports the information, equipment and print service which is open to all community groups.
- £36,030 from Brighton and Hove City Council Housing Services to complement the Council's own work to develop Council residents' associations. We support these associations by means of our information and Special Support services and by servicing joint meetings of residents.
- £7,500 from Early Years and Childcare to provide specialist support to community based groups providing childcare.
- £3,000 from East Brighton Trust to support our work with groups in the East Brighton area.
- £1,000 from Green Hall Foundation towards the cost of new equipment.

We also received donations of £674.

Charges for our services provided the charity with an income of £44,445. Our policy on charging is to set prices which local groups can afford and which, at the same time, cover service costs, replacement of equipment and some staff costs. We offer a 10% discount to our member-groups to ensure that they can afford to use our equipment.

This year we gave a total of £859 in discounts, which directly supported the work of small, volunteer run member groups. We do not charge groups for use of the Information and Special Support services.

We generated £846 in interest from our bank and building society accounts.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves statement

We hold unrestricted funds of £58,400, and restricted funds of £3,768. The majority of these reserves are designated for specific purposes as set out below.

Our policy is to hold a Contingency reserve to the value of one month's regular revenue expenditure. At March 2019 this fund stood at £17,362.

We hold designated funds to plan for anticipated large items of expenditure. We currently have a Premises Fund of £3,000 to make a provision for essential repairs, such as a new boiler. We also have a Computer Network Fund of £6,500 in anticipation that a new server and replacement staff computers will become necessary in the next few years.

**BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2019**

In September 2014 funding from the Big Lottery Fund for our Money in Mind project came to an end. We have not yet identified a replacement source of funding and have set aside a 'Services Continuation Fund' of £22,000 to bridge the immediate funding shortfall.

The trustees do not consider it necessary to establish a Redundancy Reserve, as the cost of any redundancy would be met from funds held in the bank, and the sale of equipment and stock.

The details of movements in fixed assets are set out in the notes to the accounts.

Method of appointment or election of trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Responsibilities of the Management Committee

Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Council 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, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Council is responsible for maintaining proper accounting 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 Council is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The council have at all times complied with duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

Members of the Management Committee

Members of the Management Committee, 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 1.

Approval

This report was approved by the Board on 10/10/19 and signed on its behalf.

Signed on behalf of the Board



**J Goss
Secretary**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
FOR THE YEAR ENDED 31ST MARCH 2019**

I report on the accounts of the charitable company for the year ended 31st March 2019, which are set out on pages 9 to 17.

This report is made solely to the company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Respective responsibilities of trustees and examiner

The charity's trustees 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 and that an independent examination is needed.

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 Commissioners 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 report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 the seeking of 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 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 s386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with accounting requirements of S396 of the Companies Act 2006 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.

Name of principal: Mr H Speight FCCA



Name of firm: Marks & Co
Chartered Accountants
100 Church Street
Brighton
BN1 1UJ

Date:

10/10/19

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2019
SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | Notes | Restricted £ | Unrestricted £ | 2019 Total £ | 2018 Total £ |
|---|-------|-----------------|-------------------|--------------------|--------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| <i>Donations and legacies:</i> | | | | | |
| Donations and Gifts | 2 | | 674 | 674 | 12,540 |
| <i>Investment income:</i> | | | | | |
| Bank interest | | | 846 | 846 | 392 |
| <i>Income from charitable activities</i> | | | | | |
| Grants and contracts | 3 | 137,383 | | 137,383 | 159,092 |
| Income from provision of services | 3 | | 44,445 | 44,445 | 47,083 |
| TOTAL INCOME AND ENDOWMENTS | | 137,383 | 45,965 | 183,348 | 219,107 |
| EXPENDITURE | | | | | |
| Expenditure on Raising funds | | | 8,991 | 8,991 | 9,063 |
| Expenditure on Charitable activities | | 149,243 | 36,981 | 186,224 | 185,259 |
| TOTAL EXPENDITURE | 4 | 149,243 | 45,972 | 195,215 | 194,322 |
| NET INCOME/(EXPENDITURE) | 5 | £ (11,860) | £ (7) | £ (11,867) | £ 24,785 |
| Net Income/(Expenditure) | | (11,860) | (7) | (11,867) | 24,785 |
| Net movement in funds for the period | | (11,860) | (7) | (11,867) | 24,785 |
| Reconciliation of funds | | | | | |
| Brought forward | | 15,628 | 58,407 | 74,035 | 49,250 |
| Carried forward | 11/12 | £ 3,768 | £ 58,400 | £ 62,168 | £ 74,035 |

The statement of financial activities includes all gains and losses recognised in the year

All income and expenditure derives from continuing activities.

The notes on pages 11 to 17 form part of these accounts

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
BALANCE SHEET
AS AT 31ST MARCH 2019

| | | 2019 | | 2018 | |
|---|-------|---------------|---------------|---------------|---------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible Fixed Assets | 7 | | 2,535 | | 2,250 |
| CURRENT ASSETS | | | | | |
| Stocks | 8 | 4,615 | | 5,033 | |
| Debtors | 9 | 5,126 | | 4,719 | |
| Cash at Bank and in Hand | | 56,928 | | 72,298 | |
| | | <u>66,669</u> | | <u>82,050</u> | |
| CREDITORS- amounts falling due within one year | 10 | (7,036) | | (10,265) | |
| NET CURRENT ASSETS | | | <u>59,633</u> | | <u>71,785</u> |
| NET ASSETS | | £ | <u>62,168</u> | £ | <u>74,035</u> |
| UNRESTRICTED FUNDS | | | | | |
| Designated Funds | | 31,500 | | 39,500 | |
| General Funds | | <u>26,901</u> | | <u>18,907</u> | |
| | | | 58,401 | | 58,407 |
| RESTRICTED FUNDS | | | <u>3,767</u> | | <u>15,628</u> |
| TOTAL FUNDS | 11/12 | £ | <u>62,168</u> | £ | <u>74,035</u> |

The directors and trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Board on 10/10/2019 and signed on its behalf.

.....*M. C. Briault*.....Trustee
M Briault

.....*R. Berry*.....Trustee
R Berry

The notes on pages 11 to 17 form part of these accounts

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

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.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Brighton & Hove Social Welfare and Educational Trust Ltd meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 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 Management Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

1.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property : 20% p.a. on straight line basis
Equipment : 33.3% p.a. on straight line basis

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank or Building Society.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

| 2. DONATIONS AND GIFTS | 2019 | 2018 |
|-------------------------------|--------------|-----------------|
| | £ | £ |
| Donations | 674 | 12,540 |
| | £ 674 | £ 12,540 |

| 3. INCOME FROM CHARITABLE ACTIVITIES | 2019 | 2018 |
|---|-------------|-------------|
| | £ | £ |

Grants and contracts

(a) Revenue grants for provision of services

| | | |
|---|----------------|----------------|
| Brighton and Hove City Council Grant | 89,853 | 92,110 |
| Brighton and Hove Adult Social Care and Housing | 36,030 | 35,730 |
| Early Years and Childcare | 7,500 | 7,500 |
| East Brighton Trust | 3,000 | 3,000 |
| Sussex Community Foundation | - | 5,000 |
| BHCC Collaboration Fund | - | 5,800 |
| Awards for All capital | - | 2,300 |
| Awards for All revenue | - | 7,277 |
| Other grants - capital | 1,000 | 250 |
| Other grants - revenue | - | 125 |
| | 137,383 | 159,092 |

Grants received relating to capital expenditure are credited to restricted funds, against which the depreciation of the relevant proportion of the related tangible fixed assets is debited.

The work funded by these grants and contracts is described in the annual report.

| Activities in furtherance of the Charity's objects | 2019 | 2018 |
|---|------------------|------------------|
| | £ | £ |
| (b) Income from provision of services | | |
| Equipment services | 44,024 | 46,796 |
| Special Support service | 421 | 287 |
| | 44,445 | 47,083 |
| | £ 181,828 | £ 206,175 |

| 4. INVESTMENT INCOME | 2019 | 2018 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Interest income | 846 | 392 |
| | £ 846 | £ 392 |

5. TOTAL EXPENDITURE

| | Basis of allocation | Equipment services | Information services | Tenant work | Childcare groups | BME groups | Other priority groups | Non priority groups | Fundraising | Governance | Total 2019 | Total 2018 |
|---|---------------------|--------------------|----------------------|-----------------|------------------|-----------------|-----------------------|---------------------|----------------|----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Costs directly allocated to activities | | | | | | | | | | | | |
| Staff costs | Staff time | 67,139 | 9,182 | 27,702 | 6,488 | 16,517 | 13,244 | 776 | 7,834 | 3,521 | 152,403 | 153,013 |
| Service provision direct costs | Actual | 14,357 | 1,488 | 1,489 | - | - | - | - | - | - | 17,334 | 16,174 |
| Member's discount | Actual | - | - | 372 | 87 | 222 | 178 | - | - | - | 859 | 776 |
| Depreciation - equipment | Actual | 2,095 | - | - | - | - | - | - | - | - | 2,095 | 1,053 |
| sub-total | | 83,591 | 10,670 | 29,563 | 6,575 | 16,739 | 13,422 | 776 | 7,834 | 3,521 | 172,691 | 171,016 |
| Support costs allocated to activities | | | | | | | | | | | | |
| Insurances | Staff time | 1,602 | 240 | 644 | 152 | 357 | 328 | 21 | 186 | 83 | 3,613 | 3,603 |
| Premises | Staff time | 3,523 | 528 | 1,416 | 333 | 784 | 720 | 46 | 408 | 183 | 7,941 | 7,785 |
| Printing, stationery & postage | Staff time | 1,332 | 200 | 535 | 126 | 296 | 272 | 17 | 154 | 69 | 3,001 | 2,923 |
| Refreshments at Support sessions & meetings | Staff Time | 241 | 36 | 97 | 23 | 54 | 49 | 3 | 28 | 13 | 544 | 699 |
| Telephone & Broadband | Staff time | 780 | 117 | 313 | 74 | 174 | 159 | 10 | 90 | 41 | 1,758 | 1,380 |
| Website, computer network and database | Staff time | 891 | 133 | 358 | 84 | 198 | 182 | 12 | 103 | 46 | 2,007 | 2,245 |
| Subscriptions | Staff time | 137 | 21 | 55 | 13 | 31 | 28 | 2 | 16 | 7 | 310 | 375 |
| Staff travel and meal allowances | Staff time | 132 | 20 | 53 | 12 | 29 | 27 | 2 | 15 | 7 | 297 | 240 |
| AGM and Management Committee | Staff time | 303 | 45 | 122 | 29 | 67 | 62 | 4 | 35 | 16 | 683 | 151 |
| Professional fees and subs | Staff time | 476 | 71 | 191 | 45 | 106 | 97 | 6 | 55 | 25 | 1,072 | 2,603 |
| Non-business VAT | Actual | 298 | 45 | 120 | 28 | 66 | 61 | 4 | 34 | 16 | 672 | 1,162 |
| Miscellaneous | Staff time | 184 | 28 | 74 | 17 | 41 | 38 | 2 | 22 | 10 | 416 | 50 |
| Bank charges/interest | Staff time | 93 | 14 | 37 | 9 | 21 | 19 | 1 | 11 | 5 | 210 | 90 |
| sub-total | | 9,992 | 1,498 | 4,015 | 945 | 2,224 | 2,042 | 130 | 1,157 | 521 | 22,524 | 23,306 |
| Total resources expended | | £ 93,583 | £ 12,168 | £ 33,578 | £ 7,520 | £ 18,963 | £ 15,464 | £ 906 | £ 8,991 | £ 4,042 | £ 195,215 | £ 194,322 |

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

| 6. NET INCOME FOR THE YEAR | 2019 | 2018 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| This is after charging: | | |
| Staff costs (see note 6) | 152,403 | 153,012 |
| Depreciation of tangible fixed assets | 2,095 | 1,053 |
| | <hr/> | <hr/> |

7. EMPLOYEE INFORMATION

No remuneration was paid to the trustees in the year, nor were any expenses reimbursed to them. Staff costs were as follows:

| 7.1 Staff Costs: | 2017-18 |
|---------------------------------------|------------------|
| | £ |
| Staff costs breakdown by Project Area | |
| Equipment services | 67,408 |
| Information services | 9,218 |
| Support for Tenants' groups | 26,793 |
| Support for childcare groups | 8,143 |
| Support for BME groups | 16,526 |
| Support for other priority groups | 12,745 |
| Support for non-priority groups | 779 |
| Fundraising and governance | 11,400 |
| | <hr/> |
| | £ 153,012 |

| 7.1 Staff Costs: | 2018-19 |
|---------------------------------------|------------------|
| | £ |
| Staff costs breakdown by Project Area | |
| Equipment services | 67,139 |
| Information services | 9,182 |
| Support for Tenants' groups | 27,702 |
| Support for childcare groups | 6,488 |
| Support for BME groups | 16,517 |
| Support for other priority groups | 13,244 |
| Support for non-priority groups | 776 |
| Fundraising and governance | 11,355 |
| | <hr/> |
| | £ 152,403 |

The average number of persons employed by the company during the year was as follows:

| 2019 | 2018 |
|-------------|-------------|
| No. | No. |
| 7 | 7 |

There were no employees in receipt of emoluments greater than £ 60,000.

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

8. TANGIBLE FIXED ASSETS

| | Land & Buildings £ | Equipment £ | Total £ |
|-------------------------|---------------------------------------|------------------------|--------------------|
| Cost: | | | |
| At 1st April 2018 | 27,249 | 280,113 | 307,362 |
| Additions | - | 2,380 | 2,380 |
| Disposals | - | - | - |
| At 31st March 2019 | <u>27,249</u> | <u>282,493</u> | <u>309,742</u> |
| Depreciation | | | |
| At 1st April 2018 | 27,249 | 277,863 | 305,112 |
| Charge for the period | | 2,095 | 2,095 |
| At 31st March 2019 | <u>27,249</u> | <u>279,958</u> | <u>307,207</u> |
| Net Book Value : | | | |
| At 31st March 2019 | <u>£ -</u> | <u>£ 2,535</u> | <u>£ 2,535</u> |
| At 31st March 2018 | <u>£ -</u> | <u>£ 2,250</u> | <u>£ 2,250</u> |

9. STOCKS

| | 2019 £ | 2018 £ |
|--------------------------|-------------------|-------------------|
| Stationery, badges, etc. | <u>£ 4,615</u> | <u>£ 5,033</u> |

10. DEBTORS

| | 2019 £ | 2018 £ |
|-------------------------------|-------------------|-------------------|
| VAT debtor | - | 31 |
| Trade Debtors | 2,003 | 1,393 |
| Other Debtors and Prepayments | 3,123 | 3,295 |
| | <u>£ 5,126</u> | <u>£ 4,719</u> |

**11. CREDITORS- AMOUNTS FALLING DUE
WITHIN ONE YEAR**

| | 2019 £ | 2018 £ |
|------------------------------|-------------------|-------------------|
| Taxes and Social Security | 3,230 | 3,769 |
| Other Creditors and Accruals | 3,806 | 6,496 |
| | <u>£ 7,036</u> | <u>£ 10,265</u> |

BRIGHTON & HOVE SOCIAL WELFARE & EDUCATIONAL TRUST LTD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | General Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds £ |
|-----------------------|-----------------------|--------------------------|--------------------------|---------------------|
| Tangible fixed assets | 1,018 | - | 1,517 | 2,535 |
| Current assets | 25,883 | 31,500 | 2,250 | 59,633 |
| | £ 26,901 | £ 31,500 | £ 3,767 | £ 62,168 |

13. MOVEMENTS IN FUNDS

| | At 1 April 2018 £ | Incoming Resources £ | Outgoing Resources £ | Transfers £ | At 31 March 2019 £ |
|------------------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| Restricted funds:- | | | | | |
| Equipment | 2,054 | 1,000 | (1,537) | | 1,517 |
| Provision of Services | 13,574 | 136,383 | (147,706) | | 2,251 |
| <i>Total Restricted Funds</i> | <u>15,628</u> | <u>137,383</u> | <u>(149,243)</u> | | <u>3,768</u> |
| Unrestricted funds:- | | | | | |
| Designated 'premises fund' | 3,000 | - | - | - | 3,000 |
| Designated 'services continuation' | 30,000 | - | - | (8,000) | 22,000 |
| Designated 'Computer network' | 6,500 | - | - | - | 6,500 |
| General funds | 18,907 | 45,965 | (45,972) | 8,000 | 26,900 |
| <i>Total Unrestricted Funds</i> | <u>58,407</u> | <u>45,965</u> | <u>(45,972)</u> | <u>-</u> | <u>58,400</u> |
| TOTAL FUNDS | £ 74,035 | £ 183,348 | £ (195,215) | - | £ 62,168 |

Purposes of Restricted Funds

Equipment : This represents grants received for capital equipment. The balance is reduced as the equipment depreciates.

Provision of Services : The fund is for the 'Information service' and 'Special Support services' as explained in the trustees' report.

Purposes of Designated Funds

Services Continuation Fund: This is explained in the Trustees' Report under Reserves Statement.

