

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2020
FOR
BANANA ENTERPRISE NETWORK LTD**

BANANA ENTERPRISE NETWORK LTD

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BANANA ENTERPRISE NETWORK LTD

LEGAL & ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2020

CHARITY NAME: Banana Enterprise Network Ltd

CHARITY REGISTRATION NO: 1161408. The Charity was registered with the Charity Commission on 24 April 2015

COMPANY REGISTRATION NO.: 09133991 (England and Wales)

TRUSTEES & DIRECTORS: J E Allman Chair
C A Allman
N Tyldesley
K Morton
N Lee
S Addison (appointed 24.8.20)

COMPANY SECRETARY: C A Allman

REGISTERED OFFICE: Banana Enterprise Network Ltd
14 Reedley Drive
Worsley
Manchester
M28 7XR

INDEPENDENT EXAMINER: Greystone LLC
Chartered Accountants
Talbot Chambers
18 Athol Street
Douglas
Isle of Man
IM1 1JA

BANANA ENTERPRISE NETWORK LTD

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

The Trustees, who are also the directors and the members of the company, present their annual report and the financial statements of the Banana Enterprise Network Ltd ("the Charity") for the year ended 31 March 2020.

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The Charity is a company limited by guarantee. It is governed by the Memorandum and Articles of Association. The company became a registered charity on 24 April 2015.

Trustees

As required by the Articles of Association, at the Annual General Meeting on 11th October 2019, the nearest number to one third of Trustees, currently two were required to retire by rotation. C Allman and N Lee therefore retired. C Allman and N Lee were subsequently re-elected. New Trustees are appointed by the existing Trustees and retire initially at the following AGM. Trustees meet a minimum of three times a year and are responsible for the day to day management of the charity. There is frequent communication between the Chair and the other Trustees in between meetings. New Trustees have an initial meeting with the Chair of Trustees and following their appointment are given an induction pack which includes the Memorandum and Articles of Association, the most recent financial statements and the Charity Commission guidance document "The Essential Trustee". The charity's insurance policy includes indemnity insurance for the Trustees.

Risk Assessment

The Trustees have identified and reviewed the major risks to which the Charity is exposed. They have taken steps to control and reduce those risks.

OBJECTIVES AND ACTIVITIES

Objectives and Aims and Public Benefit

Article 4 of the Charity's Articles of Association states: "The Charity's object is, in relation to people living or working, permanently or temporarily, within the United Kingdom, the relief of poverty by providing to such people in financial need, goods or services related to the establishment of businesses in which they can be employed which they could not otherwise afford through lack of means."

It is a big decision for someone to decide to become self-employed and set up a business. High quality, intensive and supportive pre-business start-up support and advice is not available to unemployed and disadvantaged people. Government sponsored programmes are very limited in scope and despite what the government says, they are not as effective as they could be. They favour people who are already equipped with skills and knowledge and who are ready to start a business within a matter of weeks (8-12 weeks usually).

Our CEO Jayne Allman, worked on the Government's NEA (New Enterprise Allowance) programme as a Business Advisor and saw a gap for essential skills training and pre-start up support particularly focussed towards people facing additional barriers to work. On average 49% of people failed to access or complete the NEA programme. This gap in provision and the number of business failures is what drove her to the decision to set up a social enterprise in July 2014 (we became a charity in April 2015).

In January 2015, our CEO launched Banana Enterprise Network and dedicated all her time to setting up and growing the free service to unemployed people in Salford.

The Charity fills a gap in statutory provision, by acquainting those starting businesses with the risks and opportunities and equipping them with the knowledge to make an informed choice as to whether self-employment is for them. The Charity organises courses run by experienced business advisers and tutors which cover many aspects of starting a business, including business planning, market research, bookkeeping and business confidence.

After start up, approximately 50% of new businesses in the UK fail within the first two years of trading.

The aim of the Charity and the public benefit is to substantially reduce this waste of human and financial resources and to ensure as far as possible a successful transition into the government's NEA scheme and into self-employment for those for whom it is the right career choice. The Charity currently operates in deprived areas and communities.

Banana Enterprise Network is helping unemployed people to become self-employed and create new business ideas. We do this by providing training programmes that help improve confidence, build self-esteem and identify skills. We provide self-employment education, personal and business skills development and remove barriers to self-employment. We operate 7 days a week and evenings too, providing flexibility for our clients.

Banana Enterprise Network has established itself as the first choice of grass root level business start-up support in Salford and across Greater Manchester. This report sets out what we have achieved during this particular year.

ACHIEVEMENTS AND PERFORMANCE

1. April 2019-March 2020 - Various contracts with community centres and housing providers

Throughout the year our charity has continued to work with various organisations to deliver pre-self-employment training and support to their clients/tenants. All the contracts had good attendances and clients were able to make an informed choice about self-employment as a potential option for work.

2. Lottery funded "Make it Work" project with Gingerbread Oct 2016 - Sep 2019

In the first half of the year, we continued to work in partnership with Gingerbread the single parent charity on the **Make it Work project** which started in October 2016. It consisted of a 6 week programme delivering employability support, enterprise training, confidence boosting and providing work experience.

The 3 year project continued until the end of September 2019. The project enabled single parents who are unemployed to improve their chances of obtaining work and make an informed choice about self-employment. They learned new skills such as teamwork, time management, basic business skills, budgeting, interview techniques and event planning for example.

The parents also had the opportunity of doing a two week work placement with an employer.

Over the 3 year project, 251 single parents were supported. From this, 244 parents progressed into employment or further training, or work placement or self-employment.

Progression routes:-

Into employment – 71 parents

Further Training – 87 parents

M&S Work Placement – 75 parents

Self-employment – 11 parents

3. Lottery funded – Enterprising Me

Just before the year end, we learned that we had been successful with a Lottery "Awards for All" bid for an enterprise related project which complements statutory support. The project was due to start in May 2020 but has been delayed due to the CV19 crisis.

Effect of Covid 19 Crisis

The work of the charity has always been carried out by face-to-face training in small groups and also one to one tuition.

All training was cancelled from 7th March 2020 in accordance with government lockdown restrictions and paid staff were furloughed by the Trustees. Training to the value of £3,000 with a housing provider was cancelled immediately, as also was planned training with housing providers in subsequent months.

FUTURE PLANS

The charity constantly seeks gaps in provision in order to ensure our services meet clients' needs. We also seek funding to enable us to capacity build and continue growing to support people facing barriers to work and self-employment. We continue to have an excellent reputation with clients and partner organisations. We are very grateful to those organisations who have agreed to fund us.

We are always looking at innovative ways to meet the needs of our community and secure funding for those projects. We are also looking at potential ideas to grow our commercial activities so we become less reliant on funding in the future, and in 2020/2021 we hope that some of those ideas will be put into practice.

At the time of writing this report we have supported 1386 unemployed people since launching in January 2015.

Since the year end, the charity has been awarded a grant from the European Social Fund of £20,000 (subject to performance/target achievement) to provide a pre-enterprise and health and well-being related programme of online training for eligible residents living anywhere within Greater Manchester. The Creating Positive Pathways training programme involves a series of 1 hour online sessions backed up with unlimited one to one support from specialist tutors.

The Trustees expect that when training resumes later in the year it will involve mostly online and telephone/email training and support due to CV19 restrictions. Face to face training will be re-introduced only in the light of government advice and when those clients due to attend feel safe to do so. The Charity's tutors are very much aware of the limitations of online training compared to the traditional face-to-face training, because social interaction between tutor and client is more distant and between the clients themselves is difficult to achieve.

The Tutors will speak to all clients extensively on the telephone before courses to make sure their online link is sound and that the clients are properly prepared for this type of training. Clients' feedback during and after the training will be closely monitored and any outstanding queries will be discussed and concluded with each client.

The Trustees are urgently considering ways in which the charity's aims of improving employment prospects for disadvantaged people can be achieved in the post covid 19 world by broadening its activities beyond the organisation of business and related training.

The Charity has for some time run health and wellbeing courses in association with the business training as we clearly recognise that clients need additional personal skills to be successful. New ideas include running a charity shop, and taking over a building, so as to be more directly involved with providing employment and volunteering opportunities and to be less dependent on client training in future years, although this will always be a very important part of the Charity's work..

FINANCIAL REVIEW

Reserves Policy and Going Concern

The Trustees have considered the charity's position and activity and concluded that it is in a position to continue operating for at least twelve months from the balance sheet date. At 31 March 2020 the Trustees consider that the unrestricted reserves of £46,090 represent 12 months basic running expenses. The Trustees current policy is to maintain unrestricted reserves of at least one year's basic running expenses. The policy is reviewed annually.

RESPONSIBILITIES OF TRUSTEES

The Charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

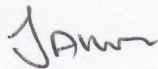
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- 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 presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Part 15 of the Companies Act 2006 relating to small companies. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVED ON BEHALF OF THE BOARD:

J E Allman – Chair of Trustees



Date: 6.10.20

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
OF BANANA ENTERPRISE NETWORK LIMITED**

I report on the accounts of the charity for the year ended 31 March 2020 which are set out on pages 6 to 10.

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 (the 2011 Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to our attention.

Basis of independent examiner's report

My examination was carried out in accordance with the 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 explanation from you as Trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

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

- to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- 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.



Guy Wiltcher ACA, FCCA

Greystone LLC

Chartered Accountants

18 Athol Street, Douglas, Isle of Man

Dated : 6.10.20

BANANA ENTERPRISE NETWORK LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

(including the Income and Expenditure Account for the year)

		31.3.20	31.3.20	Year ended 31.3.20	31.3.19	31.3.19	Year ended 31.3.19
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
INCOME FROM							
Donations		53		53	72		72
Charitable Activities:							
Other income		2,535		2,535	300		300
Grants and contracts	4	4,525	41,949	46,474	14,282	60,662	74,944
TOTAL INCOME		7,113	41,949	49,062	14,654	60,662	75,316
EXPENDITURE ON							
Charitable Activities	5	1,319	47,555	48,874	300	58,147	58,447
TOTAL EXPENDITURE		1,319	47,555	48,874	300	58,147	58,447
NET INCOME/EXPENDITURE FOR THE YEAR		5,794	(5,606)	188	14,354	2,515	16,869
Total Funds brought forward	8	40,296	17,612	57,908	25,942	15,097	41,039
TOTAL FUNDS CARRIED FORWARD		46,090	12,006	58,096	40,296	17,612	57,908

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 10 form part of these financial statements.

BANANA ENTERPRISE NETWORK LTD

BALANCE SHEET AT 31 MARCH 2020

			31.3.20	31.3.19
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
CURRENT ASSETS				
Debtors	6	189	2,766	2,955
Cash at bank		46,131	13,080	59,211
		46,320	15,846	62,166
CREDITORS				
Amounts falling due within one year	7	230	3,840	4,070
NET CURRENT ASSETS		46,090	12,006	58,096
NET ASSETS		46,090	12,006	58,096
ACCUMULATED FUNDS				
Funds	8	46,090	12,006	58,096
TOTAL FUNDS		46,090	12,006	58,096

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

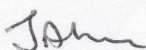
The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as 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 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 6.10.20 and were signed on its behalf by:

J E Allman – Director



The notes on pages 8 to 10 form part of these financial statements

BANANA ENTERPRISE NETWORK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard (FRS 102), and on a Going Concern basis, and with the Charities Act 2011.

Fund Accounting

Unrestricted funds can be used in accordance with the objectives of the charity at the discretion of the trustees. Restricted funds comprise funds received for specific project purposes.

Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fixed Assets

The company has purchased office and computer equipment but does not capitalise individual items of equipment costing less than £1,250. The charity currently has no items treated as fixed assets at or after purchase.

Taxation

The charity is exempt from corporation tax by reason of its charitable status.

2. NET INCOME

The net income is stated after charging:

	Year ended 31.3.20 £	Year ended 31.3.19 £
Trustee remuneration (note 3)	40,500	41,667
Independent Examiner's remuneration	<u>420</u>	<u>420</u>

3. TRUSTEES REMUNERATION AND EXPENSES

Trustee's remuneration of £38,000 (2018 £37,500) was paid to J E Allman. Under the Charity's Articles of Association, a Trustee may receive remuneration provided a majority of the Trustees do not benefit in this way. J E Allman's salary was paid for the organisation and presentation of training courses and for 1 to 1 client support meetings. C A Allman was paid £2,500 (2019 £4,167) for accountancy work and for assisting with bookkeeping training courses. These two salaries were approved by the three independent Trustees. No other Trustees received any remuneration or benefits. J E Allman was reimbursed travel expenses of £380 (2019 £867) which were incurred in the performance of her duties. Other trustees were reimbursed expenses totalling £nil (2019 £nil). The three independent Trustees decided to furlough J E Allman and C A Allman from 7th March 2020 after all training had ceased due to the Covid 19 virus.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020– continued

4. GRANTS & CONTRACTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Year ended 31.3.20 Total Funds £	Year ended 31.3.19 Total Funds £
Gingerbread Lottery Project		25,698	25,698	50,664
Coop Local Community Fund	475		475	9,749
Awards for All Lottery		9,990	9,990	9,998
Unlimited		2,500	2,500	
Government grant income (furlough scheme)		2,766	2,766	
Salford Community and Voluntary Services		995	995	
Income from other partner organisations for providing training and advice to clients	4,050		4,050	4,533
	<u>4,525</u>	<u>41,949</u>	<u>46,474</u>	<u>74,944</u>

5. EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Year ended 31.3.20 Total Funds £	Year ended 31.3.19 Total Funds £
Charitable Activities				
Trustee's salary & NI		41,600	41,600	42,679
Training courses costs	107	1,371	1,478	4,166
Travelling	212	295	507	867
Advertising and promotion		-	-	414
Computer expenses		736	736	2,375
Telephone		245	245	1,821
Repairs & renewals		789	789	2,070
Sundry expenses	1,000	1,269	2,269	1,648
Office rent		341	341	1,348
Post & stationery		125	125	281
Bank charges		80	80	78
Independent Examiner		420	420	420
Insurance		284	284	280
Total	<u>1,319</u>	<u>47,555</u>	<u>48,874</u>	<u>58,447</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Other Debtors	2,766	
Prepayments	189	264
	<u>2,955</u>	<u>264</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 – continued

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Other creditor	230	62
Accruals	3,840	4,200
	<u>4,070</u>	<u>4,262</u>

8. MOVEMENT IN FUNDS

	At 1.4.19 £	Incoming £	Outgoing £	at 31.3.20 £
Restricted funds				
Gingerbread Lottery Project	12,612	25,698	(38,310)	
Awards for All Lottery	5,000	9,990	(5,000)	9,990
Unlimited		2,500	(979)	1,521
Salford CVS		995	(500)	495
	<u>17,612</u>	<u>39,183</u>	<u>(44,789)</u>	<u>12,006</u>
Unrestricted funds				
General Fund	40,296	7,113	(1,319)	46,090
	<u>57,908</u>	<u>46,296</u>	<u>(46,108)</u>	<u>58,096</u>

Restricted Funds

The purpose of all projects was to provide training, information and support to unemployed persons from the following deprived areas to help them access self-employment.

Gingerbread Lottery Project	Salford and Manchester
Awards for All Lottery	Salford and Bolton
Unlimited	Salford
Salford CVS	Salford

10. LIMITED BY GUARANTEE

The company is limited by guarantee and consequently does not have a share capital.