

**UNITING FRIENDS LIMITED**

**Company Limited by Guarantee No. 06495763**

**Registered Charity No. 1126190**

**ACCOUNTS FOR THE YEAR ENDED**

**31 MARCH 2020**

**UNITING FRIENDS LIMITED**  
**INDEX TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**UNITING FRIENDS LIMITED  
(LIMITED BY GUARANTEE)  
COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2020**

**Directors and Trustees**

Peter David Spill (Chair)  
Allan Brett (Vice Chair)  
Malcom Anthony Nathan  
David Leon Reed

**Registered Office**

92C Beehive Lane  
Ilford  
Essex  
IG4 5EG

**Company Registration No.**

06495763 (England & Wales)

**Charity Registration No.**

1126190

**Auditors**

Fredericks Limited  
Chartered Accountants & Registered Auditors  
106 Charter Avenue  
Ilford  
Essex  
IG2 7AD

**Bankers**

Barclays Bank Plc  
Leicester  
LE87 2BB

**UNITING FRIENDS LIMITED  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a company limited by guarantee, as defined by the Companies Act 2006. The organisation was formed in 1996 and is in its 24th year having started as an unincorporated entity.

### **Organisational Structure**

The Board of Trustees is made up of the Trustees named on page 3 who meet quarterly along with the Chief Executive Officer, Russell Lerner, to decide the strategic direction and policies of the charity. The day to day responsibility for organising the charitable events and activities are carried out by the Chief Executive and his team.

### **Recruitment**

Appointment to the Board of Trustees is governed by the constitution of the charity which authorises the Board to appoint new Trustees to fill vacancies arising through resignation or death of an existing Trustee.

### **Risk Management**

The Trustees have a duty to review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees regularly monitor the level of charitable reserves and funding, along with other key areas such as staff and volunteer's levels to ensure they provide sufficient resources to meet the charity's current and longer term objectives. The Trustees consider that they have adequate systems and procedures in place to continue operating in the event of adverse conditions. The Trustees have a duty to review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **CHARITABLE OBJECTIVES AND ACTIVITIES**

### **Objective**

To provide a social inclusion service for adults with learning disabilities residing in the London Borough of Redbridge and surrounding boroughs and to enable them to become involved in all aspects of community life through organised activities, developmental training and by running events with the support of staff and volunteers.

### **Strategy**

The charity continues to be to seek additional finance and support to continue to run its services, activities and events.

### **Activities and Achievements**

The Board of Directors consider that the performance of the charity this year has been most satisfactory, serving 220 service users supported by 32 staff and 12 Volunteers.

Uniting Friends operates five projects that benefit its learning disabled clients. These being:

- Out There! Daytime (OTD)
- Out There! Evening and Weekends (OTE)
- Sprout There!
- The Groovy Cat Nightclub
- Uniting Friends Radio

The Out There! Daytime service (OTD) has completed its 12<sup>th</sup> year of service and now has 98 service users attending weekly.

OTD is a 5 day a week service which provides employment training and work skills, health and wellbeing and self-development programmes and a range of creative activities. It also provides paid supported employment to five people with learning disabilities through its Peer Mentoring Programme and seven more on a sessional basis through its other services including the Groovy Cat club and in-house café service.

The service was also awarded top rating by Waltham Forest and Newham Council gave OTD a Gold rating with a score of 96%.

**UNITING FRIENDS LIMITED**  
**REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

Over the year, Uniting Friends- daytime ran a number of special events. These consisted of the annual Tate Modern art exhibition which engaged 85 artists under the theme 'The Beauty of Life', a fundraising bike ride event which engaged 12 learning disabled cyclists and raised £2000 plus taking a lead role in the local council's Festival in the Park.

**Activities and Achievements (cont'd)**

The Out There! Evening and Weekend service operates a wide range of social inclusion and befriending activities and delivers to over 100 clients. The activities provided are both local and London-wide and offered through pre-booked brochured events. Three drop-in facilities are also offered each week linked to healthy lifestyle programmes and all are well attended. All activities offered were fully subscribed and served every member. Over 300 hours was provided in 2019/20 plus a range of holidays lasting 21.5 weeks totalling a further 400 hours.

Three residential holidays took place. Two holidays of one week long went to Bulgaria and then Grand Canaria. 25 members benefited and thoroughly enjoyed their experiences and for those that wanted to stay nearer home, a long weekend in Butlins, Bognor Regis took place in December to bring in the Christmas season.

All Out There! evening activities offered through the year were fully subscribed.

The Sprout There! allotment project is now in its tenth year. The project continues to teach 'food to fork' skills from growing crops right through to harvesting and providing cookery lessons. Attendance over the year has been steady and included other day service providers. The project operates under of our day opportunities programme although remains with its own Coordinator and volunteer team. There are 8 volunteers on the project, four which have learning disabilities.

The Groovy Cat Nightclub has continued to be a huge success with an average attendance of 100 people attending monthly. The club is run by our members taking on front-of-house duties and also creates training and employment for six young DJ's.

Uniting Friends Radio, our monthly podcast continues to be the platform for members to discuss life and world issues. The soap box style recording session called 'Your Shout' remains a popular feature and involves up to 30 people for its production each month.

The charity would not be able to provide such a wide service to our beneficiaries without the continued support of many willing people who give their services voluntarily, to assist the Chief Executive and his team.

**FINANCIAL REVIEW**

The charity is financed by way of annual grant from the London Borough of Redbridge for its Out There! Evening and Weekend service /Peer Mentoring Programme.

Funding for the Out There! Daytime service is made through personalised budgets and direct payments. For those that don't meet council criteria, places can also be purchased directly through a low-cost scheme set up by Uniting Friends.

Funds available are sufficient to permit the charity to continue in operation in the medium term, given the continued support of the funders and the local authority sponsor. Should this support not continue in the longer term, further financial support would need to be sought to replace it.

The raising of funds has become a serious focus for the charity in light of the expected public sector cuts to grants in the coming years. We should like to thank all who supported our charity, both financially and in kind, whatever the size of the contribution.

Income received is first utilised against the principal objectives and in the running costs of the charity.

Full details of the financial results of the period are shown in the statement of financial activities included within these financial statements.

**UNITING FRIENDS LIMITED**  
**REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Investment Powers**

The constitution authorises the Board of Directors to make and hold investments using the general funds of the charity, but no such investments are presently held.

**Future Developments**

A programme of future events is regularly reviewed in meetings attended by, the Chief Executive and his team, service users and volunteers.

**Reserves Policy**

It is the policy of the charity to maintain free reserves at a level which equate to approximately 3 months unrestricted expenditure. This provides funds to cover management and administration and support costs. The Trustees are delighted to have achieved this goal within this financial year and will continue to work to ensure the sustainability of the organisation.

**Public benefit**

In shaping our objectives for the year and planning our activities the trustees have considered the Charity Commissions guidance on public benefit.

**Statement of Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the net incoming resources of the charity for that period. In preparing those financial statements, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis and in accordance with applicable accounting standards

The trustees are responsible for keeping proper accounting records which 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 the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement as to disclosure of information to auditors**

So far the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

A resolution proposing the reappointment of Fredericks Limited, Chartered Accountants and Registered Auditors, as auditors will be submitted at the Annual General Meeting.

**Small Company Rules**

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees

.....  
**P. Spill – Trustee**

.....  
**A. Brett – Trustee**

**Date: 20<sup>th</sup> October 2020**

**UNITING FRIENDS LIMITED**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Opinion**

We have audited the financial statements of Uniting friends (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 13 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**UNITING FRIENDS LIMITED**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

S.G. Duker (Senior Statutory Auditor)  
for and on behalf of Fredericks Limited  
Chartered Accountants  
Statutory Auditors  
106 Charter Avenue  
Ilford, Essex  
IG2 7AD

**Date: 13<sup>th</sup> November 2020**



**UNITING FRIENDS LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2020**

|  | Notes | Unrestricted<br>£ | Restricted<br>£  | Total<br>2020<br>£ | Total<br>2019<br>£ |
|--|-------|-------------------|------------------|--------------------|--------------------|
| <b>INCOME AND EXPENDITURE</b>                                  |       |                   |                  |                    |                    |
| <b>INCOMING RESOURCES</b>                                      |       |                   |                  |                    |                    |
| Grants and voluntary income                                    | 2     | 29,296            | 46,456           | 75,752             | 61,596             |
| Activities for generating funds                                | 3     | 944,599           | 77,320           | 1,021,919          | 955,765            |
|  |       | -----             | -----            | -----              | -----              |
| <b>Total Income</b>  |       | <b>£973,895</b>   | <b>£123,776</b>  | <b>£1,097,671</b>  | <b>£1,017,361</b>  |
|  |       | -----             | -----            | -----              | -----              |
| <b>RESOURCES EXPENDED</b>                                      |       |                   |                  |                    |                    |
| <b>Charitable expenditure</b>                                  |       |                   |                  |                    |                    |
| Cost of activities in furtherance<br>of the charity's objects  | 4     | (966,189)         | (123,776)        | (1,089,965)        | (1,027,395)        |
|  |       | -----             | -----            | -----              | -----              |
| <b>Total expenditure</b>                                       |       | <b>(966,189)</b>  | <b>(123,776)</b> | <b>(1,089,965)</b> | <b>(1,027,395)</b> |
|  |       | -----             | -----            | -----              | -----              |
| <b>Net surplus/(deficit) for the year<br/>before transfers</b> |       | <b>7,706</b>      | <b>-</b>         | <b>7,706</b>       | <b>(10,034)</b>    |
| Transfer between funds   |       | -                 | -                | -                  | -                  |
|  |       | -----             | -----            | -----              | -----              |
| <b>Net surplus/(deficit) for the year<br/>after transfers</b>  |       | <b>7,706</b>      | <b>-</b>         | <b>7,706</b>       | <b>(10,034)</b>    |
| <b>Net movement in funds</b>                                   |       |                   |                  |                    |                    |
| Funds brought forward  |       | 286,619           | -                | 286,619            | 296,653            |
|  |       | -----             | -----            | -----              | -----              |
| <b>Funds carried forward</b>                                   | 10,11 | <b>£294,325</b>   | <b>£ -</b>       | <b>£294,325</b>    | <b>£286,619</b>    |
|  |       | =====             | =====            | =====              | =====              |

The notes on pages 12 to 16 form part of these financial statements.

**UNITING FRIENDS LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

**06495763**

|   | Notes | £        | 2020<br>£ | £        | 2019<br>£ |
|---|-------|----------|-----------|----------|-----------|
| <b>Fixed assets</b>                                   |       |          |           |          |           |
| Tangible fixed assets                                 | 7     |          | 55,189    |          | 70,142    |
| Investments   |       |          | -         |          | -         |
|   |       |          | -----     |          | -----     |
|   |       |          | 55,189    |          | 70,142    |
| <b>Current assets</b>                                 |       |          |           |          |           |
| Debtors   | 8     | 59,671   |           | 71,830   |           |
| Cash at bank and in hand                              |       | 201,849  |           | 179,402  |           |
|   |       | -----    |           | -----    |           |
|   |       | 261,520  |           | 251,232  |           |
| <b>Creditors: amounts falling due within one year</b> | 9     | (22,384) |           | (34,755) |           |
|   |       | -----    |           | -----    |           |
| <b>Net current assets</b>                             |       |          | 239,136   |          | 216,477   |
|   |       |          | -----     |          | -----     |
| <b>Net assets</b>                                     |       |          | £294,325  |          | £286,619  |
|   |       |          | =====     |          | =====     |
| <b>Funds:</b>   |       |          |           |          |           |
| <b>Unrestricted funds</b>                             | 10,11 |          | 294,325   |          | 286,619   |
| <b>Restricted funds</b>                               | 10,11 |          | -         |          | -         |
|   |       |          | -----     |          | -----     |
| <b>Total Funds</b>                                    |       |          | £294,325  |          | £286,619  |
|   |       |          | =====     |          | =====     |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
**P.D. Spill**

.....  
**A. Brett**

Date: **20<sup>th</sup> October 2020**

The notes on pages 12 to 16 form part of these financial statements.

**UNITING FRIENDS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**06495763**

|  | <b>2020</b> | <b>2019</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>Cash flows from operating activities</b>    |             |             |
| Cash generated/(expended) from operations      | 30,401      | 31,150      |
|  | -----       | -----       |
| Net cash from operating activities             | 30,401      | 31,150      |
|  | -----       | -----       |
| <b>Cash flows from investing activities</b>    |             |             |
| Purchase of tangible fixed assets              | (33,157)    | (29,825)    |
| Sale of tangible fixed assets                  | 25,203      | 3,066       |
|  | -----       | -----       |
| Net expenditure from investing activities      | (7,954)     | (26,759)    |
|  | -----       | -----       |
| Increase in cash and cash equivalents          | 22,447      | 4,391       |
| Cash and cash equivalents at beginning of year | 179,402     | 175,011     |
|  | -----       | -----       |
| Cash and cash equivalents at end of year       | £ 201,849   | £ 179,402   |
|  | =====       | =====       |

**RECONCILIATION OF NET INCOMING RESOURCES TO CASH GENERATED FROM OPERATIONS**

|  | <b>2020</b> | <b>2019</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Net Incoming/(outgoing) resources                | 7,706       | (10,034)    |
| Depreciation charges                             | 25,741      | 26,567      |
| Profit on sale of fixed assets                   | (2,833)     | (3,065)     |
|  | -----       | -----       |
|  | 30,614      | 13,468      |
| Decrease in trade and other debtors              | 12,159      | 9,936       |
| (Decrease)/Increase in trade and other creditors | (12,372)    | 7,746       |
|  | -----       | -----       |
| Cash generated/(expended) from operations        | £ 30,401    | £ 31,150    |
|  | =====       | =====       |

**CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2020**

|                           | <b>31.03.20</b> | <b>31.03.19</b> |
|---------------------------|-----------------|-----------------|
|                           | <b>£</b>        | <b>£</b>        |
| Cash and Cash equivalents | £201,849        | £179,402        |
|                           | =====           | =====           |

**Year ended 31 March 2019**

|                           | <b>31.03.19</b> | <b>31.03.18</b> |
|---------------------------|-----------------|-----------------|
|                           | <b>£</b>        | <b>£</b>        |
| Cash and Cash equivalents | £179,402        | £175,011        |
|                           | =====           | =====           |

The notes on pages 12 to 16 form part of the accounts

**UNITING FRIENDS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. Statutory information**

Uniting Friends Limited is a private company and charity limited by guarantee registered in England and Wales. The company's registered number and registered address can be found on the company information page. The presentation currency is £ sterling.

**1a. Accounting policies**

**Basis of preparing the financial statements**

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 2019)', 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.

**Incoming resources**

Grant income is accounted for on an accruals basis when the funding is considered definite. Otherwise it is accounted for when received. Donations and legacies income is accounted for on a received basis.

**Allocation of expenditure**

Expenditure is accounted for on an accruals basis and is allocated within the Statement of Financial Activities to one of the following headings:-

- (i) Costs of generating funds comprise the costs associated with attracting voluntary income.
- (ii) Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes costs that can be allocated directly to that activity and those costs of an indirect nature necessary to support them.
- (iii) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- (iv) All costs are allocated between the expenditure categories of the Statement of Financial Activities on the basis designed to reflect the use of the resource. Costs relating to staff are apportioned on a time spent basis, property costs are allocated by floor space, other costs are allocated with reference to an estimate of the resource usage.
- (v) Volunteer time is not accounted for in the financial statements.

**Tangible fixed assets**

All tangible fixed assets are stated at cost less depreciation. Depreciation has been provided at the following rates in order to write off each asset over its estimated useful life.

|                        |   |             |
|------------------------|---|-------------|
| Fixtures and fittings  | - | 25% on cost |
| Motor vehicles         | - | 25% on cost |
| Computer equipment     | - | 25% on cost |
| Leasehold Improvements | - | 20% on cost |

**Fund accounting**

Funds held by the charity are either:-

*Unrestricted funds* – these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

*Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanations of the nature and purposes of each restricted fund and its income and expenditure is included in note 10 to the accounts.

**UNITING FRIENDS LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1.a ACCOUNTING POLICIES (continued)**

**Significant judgements and estimates**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical judgements in applying the entities accounting policies:**

There are no specific judgements apart from those involving estimates as detailed below that management has made in the process of applying the entities' accounting policies that have a significant effect on the amounts recognised in the financial statements.

**Critical accounting estimates and assumptions:**

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates can differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below:

(i) **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets these are re-assessed annually. They are amended when necessary to reflect any estimated changes.

(ii) **Impairment of debtors**

The charity makes an estimate of the recoverable amount of trade and other debtors. When assessing their impairment, the management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**Pension costs**

The charity makes contributions to a defined benefit pension scheme, the assets of the scheme being held separately from the assets of the charity. The pension costs charge represents contributions paid and payable to the scheme in the period to which they relate.

**UNITING FRIENDS LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

| <b>2.</b> | <b>Grants and Voluntary Income</b>      | <b>Unrestricted<br/>Funds<br/>£</b> | <b>Restricted<br/>Funds<br/>£</b> | <b>2020<br/>Total<br/>£</b> | <b>2019<br/>£</b> |
|-----------|---|-------------------------------------|-----------------------------------|-----------------------------|-------------------|
|           | Grant income                            | -                                   | 46,456                            | 46,456                      | 47,291            |
|           | Voluntary donations                     | 29,296                              | -                                 | 29,296                      | 14,305            |
|           |   | -----                               | -----                             | -----                       | -----             |
|           |   | £29,296                             | £46,456                           | £75,752                     | £61,596           |
|           |   | -----                               | -----                             | -----                       | -----             |
| <b>3.</b> | <b>Activities for Generating Funds</b>  |                                     |                                   |                             |                   |
|           | Service user fees                       | 870,163                             | 29,375                            | 899,538                     | 852,164           |
|           | Activities and fundraising events       | 40,679                              | 47,945                            | 88,624                      | 78,493            |
|           | Room hire                               | 705                                 | -                                 | 705                         | 4,700             |
|           | Café income and product sales           | 19,900                              | -                                 | 19,900                      | 18,515            |
|           | Transport income                        | 13,152                              | -                                 | 13,152                      | 1,893             |
|           |   | -----                               | -----                             | -----                       | -----             |
|           |   | £944,599                            | £77,320                           | £1,021,919                  | £955,765          |
|           |   | =====                               | =====                             | =====                       | =====             |
| <b>4.</b> | <b>Charitable Expenditure</b>           |                                     |                                   |                             |                   |
|           | Wages and salaries                      | 484,924                             | 85,804                            | 570,728                     | 532,366           |
|           | Social Security costs                   | 47,726                              | -                                 | 47,726                      | 45,460            |
|           | Pension contributions                   | 18,814                              | -                                 | 18,814                      | 14,321            |
|           | Training and volunteer training         | 4,262                               | -                                 | 4,262                       | 3,825             |
|           | Staff agency fees                       | 79,593                              | -                                 | 79,593                      | 85,922            |
|           | Tutor costs                             | 46,960                              | -                                 | 46,960                      | 52,922            |
|           | Trainee payments                        | -                                   | -                                 | -                           | -                 |
|           | Public relations and marketing          | 417                                 | -                                 | 417                         | -                 |
|           | Staff and volunteers expenses           | -                                   | -                                 | -                           | 518               |
|           | Activity expenses                       | 33,476                              | 37,972                            | 71,448                      | 68,713            |
|           | Allotment costs                         | -                                   | -                                 | -                           | -                 |
|           | Depreciation                            | 25,741                              | -                                 | 25,741                      | 26,567            |
|           | Travel                                  | 13,920                              | -                                 | 13,920                      | 4,463             |
|           | Motor expenses                          | 15,826                              | -                                 | 15,826                      | 7,436             |
|           | Rent                                    | 51,513                              | -                                 | 51,513                      | 49,421            |
|           | Rates                                   | 3,450                               | -                                 | 3,450                       | 5,089             |
|           | Insurance                               | 6,634                               | -                                 | 6,634                       | 6,702             |
|           | Light and heat                          | 6,858                               | -                                 | 6,858                       | 6,089             |
|           | Repairs, maintenance and cleaning       | 54,230                              | -                                 | 54,230                      | 37,697            |
|           | Telephone and internet                  | 5,017                               | -                                 | 5,017                       | 5,548             |
|           | Stationery and printing                 | 7,546                               | -                                 | 7,546                       | 10,118            |
|           | Subscriptions                           | 239                                 | -                                 | 239                         | 217               |
|           | Sundry expenses                         | 4,363                               | -                                 | 4,363                       | 5,478             |
|           | Bank charges                            | 645                                 | -                                 | 645                         | 174               |
|           | Recruitment costs                       | 178                                 | -                                 | 178                         | 6,326             |
|           | Support costs (see below)               | 56,690                              | -                                 | 56,690                      | 55,088            |
|           | Profit on sale of vehicle               | (2,833)                             | -                                 | (2,833)                     | (3,065)           |
|           |   | -----                               | -----                             | -----                       | -----             |
|           |   | £ 966,189                           | £ 123,776                         | £1,089,965                  | £1,027,395        |
|           |   | =====                               | =====                             | =====                       | =====             |
| <b>5.</b> | <b>Support Costs (Governance Costs)</b> |                                     |                                   |                             |                   |
|           | Audit fees                              | 4,920                               | -                                 | 4,920                       | 4,310             |
|           | Professional and consultancy            | 11,770                              | -                                 | 11,770                      | 10,778            |
|           | Staff costs                             | 40,000                              | -                                 | 40,000                      | 40,000            |
|           |   | -----                               | -----                             | -----                       | -----             |
|           |   | £56,690                             | £ -                               | £56,690                     | £55,088           |
|           |   | =====                               | =====                             | =====                       | =====             |

**UNITING FRIENDS LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**6. Payroll Costs**

|                                    | Year ended<br>31.03.2020 | Year ended<br>31.03.2019 |
|------------------------------------|--------------------------|--------------------------|
| The aggregate payroll costs were:- | £                        | £                        |
| Wages and salaries                 | 610,778                  | 572,366                  |
| Social security costs              | 47,726                   | 45,460                   |
| Pension costs                      | 18,814                   | 14,321                   |
|                                    | -----                    | -----                    |
|                                    | £677,318                 | £632,147                 |
|                                    | =====                    | =====                    |

During the year no trustees were paid or received significant reimbursed expenses (2019: £Nil).

The total number of employees calculated on a full time equivalent basis during the year was 27 (2019: 27).

No members of staff received remuneration in excess of £60,000 excluding pension contributions.

**7. Tangible Fixed Assets**  
**Cost**

|                   | Computer<br>Equipment<br>£ | Fixtures and<br>Fittings<br>£ | Motor<br>Vehicles<br>£ | Leasehold<br>improvements<br>£ | Total<br>£ |
|-------------------|----------------------------|-------------------------------|------------------------|--------------------------------|------------|
| At 1 April 2019   | 9,314                      | 58,589                        | 47,158                 | 95,545                         | 210,606    |
| Additions in year | -                          | -                             | 33,157                 | -                              | 33,157     |
| Disposals         | -                          | -                             | (29,825)               | -                              | (29,825)   |
|                   | -----                      | -----                         | -----                  | -----                          | -----      |
| At 31 March 2020  | £9,314                     | £58,589                       | £ 50,490               | £95,545                        | £213,938   |
|                   | =====                      | =====                         | =====                  | =====                          | =====      |

**Depreciation**

|                        |        |         |         |         |          |
|------------------------|--------|---------|---------|---------|----------|
| At 1 April 2019        | 9,313  | 58,588  | 24,788  | 47,775  | 140,464  |
| Charge for the year    | -      | -       | 6,631   | 19,110  | 25,741   |
| Eliminated on disposal | -      | -       | (7,456) | -       | (7,456)  |
|                        | -----  | -----   | -----   | -----   | -----    |
| At 31 March 2020       | £9,313 | £58,588 | £23,963 | £66,885 | £158,749 |
|                        | =====  | =====   | =====   | =====   | =====    |

**Net Book Value**

|               |       |       |          |         |         |
|---------------|-------|-------|----------|---------|---------|
| 31 March 2020 | £ 1   | £ 1   | £26,527  | £28,660 | £55,189 |
|               | ===== | ===== | =====    | =====   | =====   |
| 31 March 2019 | £ 1   | £ 1   | £ 22,370 | £47,770 | £70,142 |
|               | ===== | ===== | =====    | =====   | =====   |

**8. Debtors**

|               |         |         |
|---------------|---------|---------|
| Trade debtors | 33,753  | 40,525  |
| Prepayments   | 23,998  | 30,741  |
| Other debtors | 1,920   | 564     |
|               | -----   | -----   |
|               | £59,671 | £71,830 |
|               | =====   | =====   |

**9. Creditors: Amounts falling due within one year**

|                         |         |         |
|-------------------------|---------|---------|
| Trade creditors         | 4,245   | 9,135   |
| Other creditors         | 2,267   | 11,966  |
| Accruals                | 4,690   | 4,491   |
| Tax and Social Security | 11,182  | 9,163   |
|                         | -----   | -----   |
|                         | £22,384 | £34,755 |
|                         | =====   | =====   |

**UNITING FRIENDS LTD**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**10. Restricted Funds**

|                           | Balance at<br>01.04.2019<br>£ | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Transfers between<br>Funds<br>£ | Balance at<br>31.03.2020<br>£ |
|---------------------------|-------------------------------|----------------------------|----------------------------|---------------------------------|-------------------------------|
| <b>Revenue Funds</b>      |                               |                            |                            |                                 |                               |
| LBR Evenings and Weekends | -                             | 123,776                    | (123,776)                  | -                               | -                             |
|                           | -----                         | -----                      | -----                      | -----                           | -----                         |
| Total Restricted Funds    | -                             | 123,776                    | (123,776)                  | -                               | -                             |
|                           | -----                         | -----                      | -----                      | -----                           | -----                         |
| <b>Unrestricted Funds</b> |                               |                            |                            |                                 |                               |
| <b>Revenue Funds</b>      |                               |                            |                            |                                 |                               |
| Unrestricted funds        | 286,619                       | 973,895                    | (966,189)                  | -                               | 294,325                       |
|                           | -----                         | -----                      | -----                      | -----                           | -----                         |
| Total Unrestricted Funds  | 286,619                       | 973,895                    | (966,189)                  | -                               | 294,325                       |
|                           | -----                         | -----                      | -----                      | -----                           | -----                         |
| Total Funds               | £286,619                      | £1,097,671                 | £(1,089,965)               | £ -                             | £294,325                      |
|                           | =====                         | =====                      | =====                      | =====                           | =====                         |

**11. Analysis of Net Assets Between Funds**

|                           | Net<br>Assets<br>£ | Total<br>31.03.2020<br>£ | Total<br>31.03.2019<br>£ |
|---------------------------|--------------------|--------------------------|--------------------------|
| <b>Unrestricted Funds</b> | £294,325           | £294,325                 | £286,619                 |
|                           | =====              | =====                    | =====                    |
| <b>Restricted Funds</b>   | £ -                | £ -                      | £ -                      |
|                           | =====              | =====                    | =====                    |
| <b>Total Funds</b>        | £294,325           | £294,325                 | £286,619                 |
|                           | =====              | =====                    | =====                    |

**12. Limited Liability**

Uniting Friends Limited is a company limited by guarantee. The Memorandum and Articles of Association restrict the liability of members on winding up to £1. In case of winding up none of the accumulated funds are distributable to the members, but shall be given, or transferred to, some other charitable institutions having similar objectives.

**13. APB Ethical Standard – Provisions available for smaller entities**

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

**14. Operating Lease Commitments**

At 31 March 2020 the charity had the following commitments:-

|                    | 2020<br>£<br>Expiring<br>after 5 years | 2019<br>£<br>Expiring<br>after 5 years |
|--------------------|--|--|
| Land and Buildings | £46,600                                | £46,600                                |
|                    | =====                                  | =====                                  |