

Registered No. 04687832
Charity number: 1097409

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Houndiscombe Consultants Limited
Trading as Condyl Mathias
Chartered Accountants
6 Houndiscombe Road
Plymouth
PL4 6HH

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) are pleased to present their annual report together with the audited financial statements of Shekinah Mission (Plymouth) Limited (the charity and the group) for the year ended 31 March 2017, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The Trustees confirm that the Annual Report and financial statements of the charity and the group comply with the 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), UK Accounting Standards, the Charities Act (2011), the Companies Act (2006), and in accordance with the company's Articles of Association.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity registered number
1097409

Company registered numbers
04687832 (Shekinah Mission)
04880413 (Shekinah Trading)

Registered office and principal office
Shekinah Mission, Bath Street, Plymouth, PL1 3LT

Auditors
Houndiscombe Consultants Limited, 6 Houndiscombe Road, Plymouth, PL4 6HH

Bankers
HSBC Bank Plc, 4 Old Town Street, Plymouth, Devon, PL1 1DD

Directors and Trustees
The directors of the charitable company (the company) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year-end were as follows:

Trustees and Directors

Richard Morgan	Chair
James Robert Butler	
Marion Ruth Luckhurst	
Andrew Gregory Serpell	
Vijay Panandikar	
Gillian Parker (resigned 8 th March 2017)	
Anthony John Arthur Thomas	

Company Secretary
Peter Jonathan Woad

Chief Executive Officer
John Andrew Hamblin

Key Management Personnel
Susan Clare Brizell
Laura Kate Fraser-Crewes
Stephen Oliver John Withers

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Overview of Shekinah and our Purpose and Activities

The Shekinah Mission has been working for the relief of poverty and to help socially excluded and disadvantaged people since December 1992. Initially it concentrated on helping people who were homeless; it now works with anyone who needs our services, which support people who are socially or economically excluded, or disadvantaged. 25 years on, our activities have evolved but our purpose remains the same.

The objects of the charity, as stated in our Memorandum and Articles of Association, are:

"The relief of poverty and sickness and the advancement of education particularly for those who are homeless or otherwise in need, with power to:

- a) Promote health, education, employment and independent living;
- b) Provide support, counselling and advice;
- c) Run social businesses to provide work experience, employment and affordable goods and services;
- d) Promote and support co-operative enterprises;
- e) Develop the capacity and skills of beneficiaries in such a way that they are better able to identify and help meet their needs and to participate more fully in society;
- f) Enter into contracts with public bodies or other parties to provide services which are consistent with those objects;
- g) To encourage those who show an interest to understand and live the Christian Gospel through these activities but without reference to denominational distinctions or peculiarities of Church Government."

We aim to engender feelings of greater self-esteem and self-worth in our clients, thus helping them to help themselves to engage more positively in their communities. Our services are open to all, irrespective of race, age, religion, sexuality, gender, addictions, criminal record, ability or disability.

We are based in the Stonehouse area of Plymouth and also at sites in Torbay, and presently employ 50 staff and 80 volunteers in a variety of projects, including a Drop-in Centre, a 24-hour hostel, education and training services, employability programmes including construction industry training schemes, a horticultural project and two charity shops. We cover all of Plymouth, Torbay and parts of Devon.

Through these projects, we aim to offer the most 'holistic' service we possibly can to those who seek our help, helping them to bring about real and lasting change in their lives. Our clients are dealing with a range of multiple and complex needs including;

- homelessness and rough sleeping
- substance misuse problems
- offenders/ex-offenders
- long-term unemployment
- people with learning disabilities or physical / mental health problems
- people who lack basic skills such as literacy or numeracy.

Since 1992, our service provision has grown steadily and this has been matched by the number of people we have been able to assist each year – typically now 1,200+ individuals, many of whom require ongoing assistance and support and often in a wide variety of ways. We are also able to refer many people to other local agencies, often based in our centres, where they require a specialist service we are unable or are not the best placed to deliver. This includes access to a GP and a blood-borne diseases nurse specialist service.

SHEKINAH MISSION (PLYMOUTH) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

With our help, thousands of disadvantaged people have, over the years, been able to make real and lasting improvements to their daily lives, breaking in many cases a 'yoke' which has held them back such as social disadvantage, poor literacy, lack of education and/or lack of confidence. Our ongoing work continues to positively impact on the local communities in which we operate in terms of better health, less rough sleeping, lower crime, greater social inclusion, higher employment and less benefits dependency.

We provide a 'one stop shop' holistic service *from the street to employment and stability*, we do this by working closely in partnership with a number of local agencies, some of which operate from our Drop-in Centre on a daily or weekly basis. These include local GP's / CPN's and other healthcare professionals.

OBJECTIVES AND ACTIVITIES

Our projects have continued to provide support services to those in need across Plymouth and Torbay during the 2016/17 year. All our services have continued to be well-used. The practical outcomes produced through the services provided have been those which we set out to achieve, chiefly: better health and nutrition for our service users; less rough sleeping by helping homeless clients to access accommodation; better prospects for securing employment; fewer ex-offenders returning to crime; and an improved sense of self-worth and self-esteem. In comparison to previous years, the numbers of individuals assisted has broadly remained stable across the various services provided.

During this year we have significantly increased the funding we receive from charitable trusts, this allows us to meet our charitable aims without having to have undue regard to what partners in other services want us to do. It allows us to be even more of an independent charity with a voice to advocate for those we work with. During the 2016/17 year, there were no outstanding positive or negative factors of significance which affected the achievement of our objectives.

THE PUBLIC BENEFIT

We have considered the guidance contained in the Charity Commission's guidance on Public Benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' when reviewing our aims and objectives and in planning future activities.

The services of Shekinah are open to all, irrespective of their race, age, religion, sexuality, gender, addictions, criminal record, ability or disability. Shekinah's services bring benefits to a wide section of the local community, particularly the homeless / rough sleepers, ex-offenders, the long-term unemployed, the elderly / disabled, people suffering from addictions, and those with physical or mental health issues.

This report outlines how our achievements during the year have benefited the public either directly or indirectly.

The activities of Shekinah currently take place under the auspices of various projects. At present, these consist of the following:

- A drop-in centre
- The Re:Solve Training project
- Two charity shops
- The 'Shekinah Grow' project in Paignton
- The 'Leonard Stocks Centre' in Torquay, run in partnership with the Langley House Trust
- The employment programme and 'Re:work Socially Responsible Employment Service', run in partnership with Plymouth City Council, Torbay Council, the Re:Solve Training project, and local employers
- Endeavour House in Torquay, a Community Hub
- Shekinah Trading Limited, a social enterprise.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

ACHIEVEMENTS AND PERFORMANCE

Our work has impacted on the circumstances of our service users in a number of ways, including: better health and nutrition, improved education, increased employment prospects, less benefits dependency, greater self-confidence and self-worth, and better access to accommodation.

Society as a whole has also benefited through a reduction in homelessness and rough sleeping in the local area, less re-offending, reduced welfare dependency, and less pressure being placed on other local services particularly with regard to healthcare.

This year has seen us further strengthen and develop both local and national partnerships. We have further developed our partnerships with Crisis, On Course South West, Hamoaze House, Langley House Trust, Harbour (drug and alcohol services), PATH (Plymouth Access To Housing) and Homemaker Southwest's Debt Advice Workers. In addition, we have further developed a strong partnership with Dorset, Devon and Cornwall Probation and have run an offender specific pilot using a co-located team based within Shekinah's training centre.

In relation to our local partnerships, we continue to work closely with Plymouth City Council and Torbay Council in all aspects of our work.

FINANCIAL REVIEW

Financial Position

The consolidated statement of financial activities for the year shows the net movement in funds for the year was a surplus of £122,258 (2016: surplus of £26,318).

The Charity's wholly-owned trading subsidiary, Shekinah Trading Limited, carries out non-charitable trading activities for the Charity and all available profits are donated to the charity. However, during 2016/17 no activity took place.

Risk Management

The Trustees routinely review the major risks that Shekinah faces. Management of the various risk elements includes:

- Maintenance and review of risk registers and risk mitigation options;
- Establishment and review of medium-term business plans;
- Establishment of a reserves policy;
- Establishment of annual budgets and bi-monthly review of financial performance;
- Annual review of process controls over key financial systems;
- Financial risk and regular review of the cash position.

The principal financial risks and uncertainties identified by the trustees are as follows: Overdependence on major income sources; lack of understanding of current and impending employment law re. terms and conditions; inappropriate or loss-making non-charitable trading activities; noncompliance with donor-imposed restrictions; fraud or financial error; no cash flow or cash reserves; lack of grant funding or donations to meet key performance indicators. Identified risks are now reviewed bi-monthly by the finance subcommittee of the board.

Factors likely to affect our financial performance or position going forward are: The general economic environment; changes in government policies, particularly with regard to grant funding priorities; changes in company / charity law; Plymouth City Council redevelopment plans; and our continued successful access to charitable grant funding, which is currently increasing year on year.

Non-financial risks identified include death, long term illness or key personnel leaving. Succession planning is high on the agenda.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Reserves Policy

The Trustees recognise the need for unrestricted funds to meet its charitable objects both in the short term and over the longer term.

The Trustees have set a free reserve target of £250,000 in the medium term, which represents four months' run-rate of current costs. The Trustees have also stated an intent that, subject to cashflow and the availability of reserves, future 'windfall' donations (such as legacies) will be invested to form part of the reserves.

Budget for year to 31 March 2018

The Trustees have set a financial budget surplus for the charity in 2017/18 of £16,959.

PLANS FOR THE FUTURE

The charity is established to provide a broad range of services to disadvantaged people, generally in South Devon. We will continue to provide such services, adapted as needed to suit the specific needs of our clients. Future provision will be designed with the ideas embedded in our 2020 strategy at their core. The charity will also remain open to both organic and geographic expansion.

We are now actively planning for a relocation of services away from our Bath Street Plymouth base. Major structural changes on the waterfront in Plymouth will likely mean that we have no choice but to move. This will give us an opportunity for more effective integration of the various services we deliver to the benefit of our clients. This we believe will enable us to provide seamless pathways for our clients to engage within their individual recovery journeys.

The past year has seen a growth in the income we have received from charitable trusts at the same time as we see Local Authority support under more pressure and shrinking. We hope to build on Charitable Trust funding, following the lead of The Leathersellers Company who have made a four year grant to us, Garfield Weston have similarly funded us in a series of generous grants. This can be a way forward for us as well as fundraising from local supporters and church groups. We are working hard to reduce spending on raising funds for the charity and at the same time increase the income raised from this source and have measures in place to ensure that this trend continues.

Close financial management going forward will ensure that we continue to build value at the frontline and reduce costs elsewhere.

Shekinah 2020 Strategy

2016 saw the successful launch of a new strategy for the organisation. It sets out how we want to change over the next four years, and its key features are set out below. What it clearly demonstrates is that we need to focus more clearly on those who have the greatest need, and who are willing to work alongside us during their recovery journey. The target is for 1,000 people to have made significant progress by 2020; this is both a lot of people and less than we normally talk about. The fundamental difference is that we focus our efforts from now on. We do not stop seeing the large numbers of people we see each year (about 1,200), we do though not try to be all things to all people. We limit ourselves to what we are best at, and, through partnership working, signposting others to where they can best receive the support they need. This methodology should be a means to us meeting our 1,000 person target, which will be reported on each year for the next three years.

Our Vision

By 2020, Shekinah will have supported at least 1,000 people with multiple and complex needs; we will be recognised for our partnership approach and we will be evidencing that our approach generates sustained saving to the public purse.

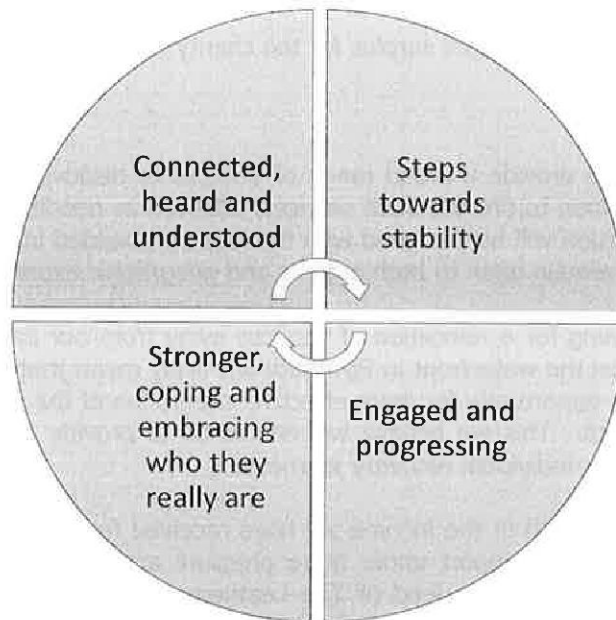
**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Our Mission

We see the person first, so we can work together to enable them to be the person they want to be. To be a voice for individuals with multiple and complex needs. We will achieve this by listening to what they tell us, advocating for what they need and supporting the changes that deliver that.

What does supported mean?



Connected, heard and understood: We focus on the strengths, needs and aspirations of people. History is captured and understood in full, including physical, emotional, spiritual and relationship needs.

Steps towards stability: We work with people as equals to start to build sustainable change in their lives. They are engaged with Shekinah and other partners, and are learning to love themselves and identify their aspirations.

Engaged and progressing: Confronting, sharing and addressing what they identify as challenges, whilst taking responsibility and building on success step by step.

Stronger, coping and embracing who they really are: Achieving goals, making a new story and learning to accept life's ups and downs including setbacks.

Priorities

1. **Context:** We understand the emerging challenges so we can identify opportunities that fit with our 2020 vision.
2. **People:** We focus on the needs, strengths and aspirations of people. We know the people we support in Plymouth and Torbay by name and we have identified their needs and aspirations.
3. **Approach:** We establish support as a simple structured plan based on a natural, honest, on-going conversation that helps individuals become the person they want to be.
4. **Systems:** We establish support systems and processes to review interactions effectively, and capture and report progress.
5. **Evidence based:** We base our work on the best evidence of what works, and, when we try new approaches, we research them and share evidence.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

6. **Progress:** We adopt a proven approach to recruiting, selecting and developing Shekinah staff and volunteers.
7. **Clarity:** As individuals, teams and the organisation as a whole, we have a common understanding and we are living a shared vision.
8. **Capability:** We have the capacity and resources to bring meaningful relationships and purposeful activity to people with multiple and complex needs.
9. **Volunteering:** We have an inspiring volunteer programme that increases our capacity to support people significantly and cost effectively.
10. **Finance:** We raise funding to support existing activities and growth plans.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Shekinah was established in 1992, and has progressively developed a range of basic services to meet the needs of socially and economically excluded people in Plymouth and Torbay.

Shekinah incorporated on 5 March 2003 as a charitable company limited by guarantee and was registered as a Charity on 8 May 2003. It is governed by Memorandum and Articles of Association, which were last amended on 1 December 2005.

The Company is limited by guarantee and has no share capital. At 31 March 2017, there were 17 members of the Company (2016: 45). In the event of the Company being wound up, the liability of each member is limited to £10.

Method of Appointment or Election of Trustees

Under the Articles of Association, the number of Trustees shall not be less than three, with all Trustees being retired and eligible for re-election every three years. Those retiring may be reappointed as Trustees. New Trustees can only be elected if they are recommended by a majority of the Trustees and notice is properly executed by a Trustee of their intention to nominate a new Trustee.

Recruitment of trustees is generally governed by skills and knowledge 'gaps' in the Board. Where such gaps are perceived to exist, a candidate or candidates who may be suitable to fill these gaps will be identified, and informally approached to enquire whether a trusteeship of the organisation would be of interest to them. If so, the candidate will be invited to attend a Board of Trustees meeting, where their potential trusteeship will be discussed with the full Board. A formal offer to join the trustees may then be made to the candidate(s).

Policies Adopted for the Induction and Training of Trustees

In recent years the Board has grown from the original four founding Trustees, to the current total of six. This has expanded the overall skill-set and experience available to shape and direct the charity's strategy and to support the management team, particularly in respect of commercial matters. Specific training for the newer Trustees has largely been provided by the Chairman and the Chief Executive; the previously-stated longer-term goal remains - to provide more formalised induction and training packs, thereby making the recruitment and induction of any subsequent trustees more convenient and more reliable.

Organisational Structure and Decision-Making

The affairs of Shekinah are ultimately controlled by the Board of Trustees, which delegates the day to day operation of Shekinah to the management team which is headed by the Chief Executive, Mr. John Hamblin.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

With the expansion of Shekinah's services, it was decided 2011/12 to establish a separate Finance Sub-Committee. Membership currently consists of three Trustees plus Shekinah's CEO and the Finance Manager. This, combined with the implementation of monthly budget meetings with each manager, has ensured greater financial scrutiny and risk management for Shekinah.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Shekinah Mission (Plymouth) Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- The Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 9/11/17 and signed on their behalf, by:

Mr R Morgan
Trustee



**SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEKINAH MISSION (PLYMOUTH)
LIMITED**

We have audited the financial statements of Shekinah Mission (Plymouth) Limited for the year ended 31 March 2017 set out on pages 11 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices) including FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 145 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implication in our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then 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 and the Charities Act 2011.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEKINAH MISSION (PLYMOUTH)
LIMITED**

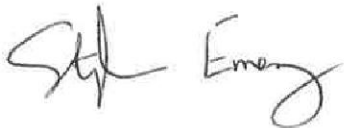
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' report.



Stephen Emery ACA (Senior Statutory Auditor)
For and on behalf of
Houndiscombe Consultants Limited, Statutory Auditor
6 Houndiscombe Road
Plymouth
PL4 6HH

Date: 10 / 11 / 2017.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
INCOME FROM:					
Donations and legacies	3	42,278	312,956	355,234	295,347
Charitable activities	4	715,167	112,247	827,414	734,428
Other trading activities	5	-	49,636	49,636	66,303
TOTAL INCOME		<u>757,445</u>	<u>474,839</u>	<u>1,232,284</u>	<u>1,096,078</u>
EXPENDITURE ON:					
Raising funds	6	185	76,410	76,595	82,703
Charitable activities	7	1,021,981	11,450	1,033,431	987,057
TOTAL EXPENDITURE		<u>1,022,166</u>	<u>87,860</u>	<u>1,110,026</u>	<u>1,069,760</u>
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		(264,721)	386,979	122,258	26,318
Transfer between funds	18	309,978	(309,978)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>45,257</u>	<u>77,001</u>	<u>122,258</u>	<u>26,318</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18	732,609	115,305	847,914	821,596
TOTAL FUNDS CARRIED FORWARD	18	<u>777,866</u>	<u>192,306</u>	<u>970,172</u>	<u>847,914</u>

All the above activities are derived from continuing activities.

All gains and losses recognised in the year are included above.

The notes on pages 15 to 29 form part of these financial statements

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 04687832

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		840,802		851,932
CURRENT ASSETS					
Debtors	13	189,667		65,938	
Cash at bank and in hand		<u>28,714</u>		<u>42,349</u>	
		218,381		108,287	
CREDITORS: amounts falling due within one year	14	<u>(89,011)</u>		<u>(112,305)</u>	
NET CURRENT ASSETS / (LIABILITIES)			<u>129,370</u>		<u>(4,018)</u>
NET ASSETS			<u>970,172</u>		<u>847,914</u>
THE FUNDS OF THE CHARITY					
Restricted income funds	18		777,866		732,609
Unrestricted income funds	18		<u>192,306</u>		<u>115,305</u>
			<u>970,172</u>		<u>847,914</u>

The trustees have prepared group financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 9/11/17 and signed on their behalf, by:

Mr R Morgan
Trustee



The notes on pages 15 to 29 form part of these financial statements.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 04687832

CHARITY BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		840,802		851,355
Investments	12		<u>2</u>		<u>2</u>
			840,804		851,357
CURRENT ASSETS					
Debtors falling due within one year	13	189,667		65,938	
Cash at bank and in hand		<u>26,059</u>		<u>38,334</u>	
		215,726		104,272	
CREDITORS: amounts falling due within one year	14	<u>(94,822)</u>		<u>(116,882)</u>	
NET CURRENT ASSETS / (LIABILITIES)			<u>120,904</u>		<u>(12,610)</u>
NET ASSETS			<u>961,708</u>		<u>838,747</u>
THE FUNDS OF THE CHARITY					
Restricted income funds			777,866		732,609
Unrestricted income funds			<u>183,842</u>		<u>106,138</u>
			<u>961,708</u>		<u>838,747</u>

The trustees have prepared group financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 9/11/17 and signed on their behalf, by

Mr R Morgan
Trustee



The notes on pages 15 to 29 form part of these financial statements.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASHFLOW AND CONSOLIDATED STATEMENT OF CASHFLOW
AS AT 31 MARCH 2017

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Cash used in operating activities	23	<u>9,296</u>	<u>97,326</u>	<u>11,198</u>	<u>98,379</u>
Cash flows from investing activities					
Purchase of tangible fixed assets		(22,931)	(70,719)	(23,473)	(70,719)
Cash received on the sale of fixed assets		-	-	-	-
Cash used in investing activities		<u>(22,931)</u>	<u>(70,719)</u>	<u>(23,473)</u>	<u>(70,719)</u>
(Decrease) increase in cash and cash equivalents in the year		(13,635)	26,607	(12,275)	27,660
Cash and cash equivalents at the beginning of the year		42,349	15,742	38,334	10,674
Total cash and cash equivalents at the end of the year		<u>28,714</u>	<u>42,349</u>	<u>26,059</u>	<u>38,334</u>

The notes on pages 15 to 29 form part of these financial statements.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Shekinah Mission (Plymouth) Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

The financial statements report a cash outflow for the charity of £12,275 for the year and £13,635 on a group basis. The Trustees are of the view that this is satisfactory and is in line with expectations. Free reserves have increased from £115,305 to £192,306 during the year and the charity continues to work towards its free reserves policy of £250,000. Therefore, the Trustees believe there are no material uncertainties about the charity's ability to continue for the foreseeable future.

Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary Shekinah Trading Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.2 Company status

The company, which was incorporated in the United Kingdom, is a company limited by guarantee and has no share capital. At 31 March 2017, there were 17 members of the Company (2016: 45). In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Fund accounting

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors and have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out below and movements are summarised in note 17.

Capital Items – Funding received for specific capital assets, which is charged with the depreciation of the assets so funded.

Day Centre – Multiple funding streams given or granted to deliver services from the Plymouth drop in centre such as information, advice and guidance, food and medical assistance.

Leonard Stocks Centre – Langley House Trust funding to provide 24-hour accommodation-based support for homeless people.

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

Training and Employability Programme – Multiple funding streams to deliver to vulnerable young people and adults a range of accredited vocational and pre-employment training and to provide links with potential employers.

Growing For Life – Multiple funding streams to provide social reintegration and an opportunity for vulnerable adults to realise their potential and raise personal aspirations through meaningful activities, learning and team work.

Endeavour House – Multiple funding streams to provide a community hub in Torquay.

The Big Lottery – A grant received to reach communities in the Torbay area.

The Big Lottery – Sustainability Fund – A grant received to employ outside consultants to assist in producing a strategic plan for the charity.

1.4 Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity 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 charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity 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.

For pledges, entitlement is the earlier of the pledge being probable and measurable or the pledge being received.

Donated goods, facilities and services are recognised as income when the charity has control over them, any conditions associated with the donated item have been met, and the receipt of economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), the general volunteer time is not recognised please refer to the Trustees' annual report for more information about their contribution.

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

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

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1.5 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of the costs of commercial trading including the charity shops, and the subsidiary company costs. These include the associated support costs.
- Expenditure on charitable activities comprise of all the direct costs and support associated with the provision of the services undertaken to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include head office costs, finance, personnel, payroll and governance costs which supports the charity's activities. These costs have been disclosed separately in note 8 to the financial statements and have been allocated between the cost of raising funds and expenditure on charitable activities on the statement of financial activities.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Land and buildings	-	2% straight line
Leasehold property	-	over the term of the lease
Plant and machinery	-	10-20% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	15-25% straight line
Computer equipment	-	25% straight line

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.10 Debtors

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

**SHEKINAH MISSION (PLYMOUTH) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1.11 Cash at bank and in hand

Cash at bank and cash 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.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Pensions

The charity offers a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year. The contributions made for the accounting period was £4,521 (2016: £4,323).

1.16 Value Added Tax

As the group is VAT registered with partially exempt supplies for VAT purposes, unrecoverable VAT has been included within the expenditure of Shekinah Mission, which contains all the exempt supplies.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary which did not trade in the year.

The summary financial performance of the charity alone is:

	2017	2016
	£	£
Income	1,232,284	1,080,180
Expenditure	<u>(1,109,323)</u>	<u>(1,053,862)</u>
Net income	122,961	26,318
Total funds brought forward	838,747	812,429
Total funds carried forward	<u>961,708</u>	<u>838,747</u>
Represented by:		
Restricted funds	777,866	732,609
Unrestricted funds	183,842	106,138
	<u>961,708</u>	<u>838,747</u>

3. INCOME FROM DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	272,171	276,780
Legacies	83,063	18,567
	<u>355,234</u>	<u>295,347</u>

The income from donations and legacies was £355,234 (2016: £295,347) of which £312,956 was unrestricted (2016: £259,297) and £42,278 was restricted (2016: £36,050).

4. INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
	£	£
Income generated by Drop in Centre	14,271	21,300
Income generated by Leonard Stocks Centre	299,264	259,208
Income generated by Training & employability	263,298	267,501
Income generated by Growing for life	54,493	81,135
Income generated by Endeavour House	100,162	69,165
Income generated by other activities	95,926	36,119
	<u>827,414</u>	<u>734,428</u>

The income from charitable activities was £827,414 (2016: £734,428) of which £112,247 was unrestricted (2016: £120,568) and £715,167 was restricted (2016: £613,860).

Included in the above is £15,000 from The Leathersellers' Company Charitable Fund and £20,000 from Garfield Weston Foundation.

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. INCOMING EARNED FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2017 £	Unrestricted Funds 2016 £
Income from Charity shops	49,636	48,852
Income from Trading subsidiary	-	17,451
	<u>49,636</u>	<u>66,303</u>

The wholly owned subsidiary Shekinah Trading Limited is incorporated in the United Kingdom (company number 04880413) and pays all of its profits to the charity under the gift aid scheme. The company receives income from the supply of Labour only services to the building trade.

A summary of its trading results is shown below:

	2017 £	2016 £
Turnover	-	17,451
Cost of sales and administration costs	(703)	(17,451)
Operating (loss)/profit	<u>(703)</u>	<u>-</u>
Amount gift aided to the charity	-	-
	<u>(703)</u>	<u>-</u>

The assets and liabilities of the subsidiary were:

	2017 £	2016 £
Fixed assets	-	578
Current assets	9,666	10,271
Current liabilities	(1,200)	(1,680)
Total net assets	<u>8,466</u>	<u>9,169</u>
Aggregate share capital and reserves	<u>8,466</u>	<u>9,169</u>

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2017	2016
	£	£
Advertising & PR	16,017	15,578
Trading subsidiary	703	15,898
Charity shops	59,875	51,227
	<u>76,595</u>	<u>82,703</u>
Shop expenses can be summarised as follows:		
Bags, hangers, labels, branding	2	98
Staff wages & salaries	34,358	25,012
Staff welfare	14	20
Rent	9,483	9,441
Property rates & council tax	1,764	1,750
Travel & subsistence	240	-
Electricity	914	907
Printing, postage & stationery	28	41
Subscriptions	299	211
Telephone	557	541
Insurance	345	360
Repairs & renewals	616	892
Cleaning & refuse disposal	133	467
Sundry expenses	252	192
Irrecoverable VAT	202	352
Governance costs (note 8)	603	928
Support costs (note 8)	10,065	10,015
	<u>59,875</u>	<u>51,227</u>

The expenditure on raising funds was £76,595 (2016: £82,703) of which £76,410 was unrestricted (2016: £81,113) and £185 was restricted (2016: £1,590).

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7. ANALYSIS OF EXPENDITURE ON DIRECT CHARITABLE ACTIVITIES

	Drop in Centre	Leonard Stock Centre	Training & Employabilit y	Growing for Life	Endeavour House	The Big Lottery	Total
	£	£	£	£	£		£
Food & materials	2,358	-	5,355	537	55	-	8,305
Advertising and PR	-	-	549	85	-	-	634
Staff wages & salaries	117,270	279,282	153,375	-	13,031	109,750	672,708
Staff welfare	599	721	1,400	40	98	-	2,858
Agency wages	-	90	3,450	-	315	-	3,855
Rent and rates	4,853	-	32,896	840	-	2,466	41,055
Light and heat	5,234	-	2,011	-	-	3,479	10,724
Motor expenses	-	-	2,568	82	-	-	2,650
Travel & subsistence	2,440	3,279	4,910	842	1,507	1,565	14,543
Print, post & stationery	345	244	2,103	259	1,086	-	4,037
Subscriptions	317	-	-	-	-	-	317
Telephone	445	553	2,416	811	2	1,625	5,852
Insurance	3,751	604	1,110	345	2,069	-	7,879
Hire equipment	-	-	2,025	-	-	-	2,025
Repairs & renewals	2,109	2,976	3,516	441	1,603	-	10,645
Cleaning & refuse disposal	2,694	1,044	4,165	524	319	782	9,528
Sundry expenses	16	186	-	292	6	-	500
Depreciation	11,132	-	1,605	7,571	7,300	-	27,608
Client's materials and other costs	211	5,685	14,568	2,497	670	-	23,631
Irrecoverable VAT	745	1,039	2,751	542	374	3,677	9,128
Donated goods	10,334	218	326	-	-	-	10,878
Direct costs	164,853	295,921	241,099	15,708	28,435	123,344	869,360
Governance costs (note 8)	4,218	1,808	2,410	1,808	1,205	35,798	47,247
Support costs (note 8)	35,230	17,046	27,887	17,736	18,925	-	116,824
	204,301	314,775	271,396	35,252	48,565	159,142	1,033,431

The expenditure on direct charitable activities was £1,033,431 (2016: £987,057) of which £11,450 was unrestricted (2016: £11,072) and £1,021,981 was restricted (2016: £975,985).

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the cost of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned on the time spent on each of the key charitable activities undertaken in the year.

	General Support	Governance	Total
	£	£	£
Advertising & PR	5,762	-	5,762
Staff wages & salaries	83,353	5,913	89,266
Staff welfare	6,004	-	6,004
Print, post & stationery	1,156	16	1,172
Subscriptions	395	15	410
Telephone	2,867	-	2,867
Legal fees	48	-	48
Professional fees	713	-	713
Audit & accountancy	-	6,100	6,100
Hire of equipment	4,692	-	4,692
Insurance	2,421	-	2,421
Repairs & renewals	3,275	8	3,283
Cleaning & refuse disposal	23	-	23
Bank charges	2,324	-	2,324
Sundry expenses	(10)	-	(10)
Non-recoverable VAT	2,448	-	2,448
Depreciation	5,000	-	5,000
Bad debt	6,418	-	6,418
	<u>126,889</u>	<u>12,052</u>	<u>138,941</u>
Consultancy fees	<u>-</u>	<u>35,798</u>	<u>35,798</u>
	<u>126,889</u>	<u>47,850</u>	<u>174,739</u>
Included within:			
Raising funds (Note 6)	10,065	603	10,668
Charitable activities (Note 7)	<u>116,824</u>	<u>47,247</u>	<u>164,071</u>
	<u>126,889</u>	<u>47,850</u>	<u>174,739</u>

During the year a grant was received from the big lottery to employ outside consultants to assist in producing a strategic plan for the charity.

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. NET INCOME/EXPENDITURE

This is stated after charging:	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- Owned by the charitable group	34,061	30,591
Loss/(Profit) on disposal of fixed assets	-	19,356
Auditors' remuneration (group) - audit	4,985	4,750
- other	1,115	1,300
Pension costs	<u>4,521</u>	<u>4,323</u>

During the year, no Trustees received any remuneration or incurred expenses (2016: £Nil). During the year, one Trustee was provided with a mobile phone; a contribution of £180 (2016: £180) was received from the trustee towards this cost. It is not possible to quantify the actual cost to the charity, as the phone is supplied as part of a multi user contract.

10. STAFF COSTS

Staff costs were as follows:	2017	2016
	£	£
Wages and salaries	743,813	729,264
Social security costs	53,726	52,249
Other pension costs	<u>4,521</u>	<u>4,323</u>
	<u>802,060</u>	<u>785,836</u>

The total employee benefits of the key management personnel of the charity and group was £155,667 (2016: £173,332).

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

	2017	2016
	No.	No.
Management and administration of the charity	6	7
Charitable activities	45	42
Subsidiary company	<u>-</u>	<u>1</u>
	<u>51</u>	<u>50</u>

No employee received remuneration amounting to more than £60,000 in either year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Leasehold Land and Buildings £	Plant and Machinery £	Motor Vehicles £	Total £
GROUP COST					
At 1 April 2016	961,077	-	116,714	1,370	1,079,161
Additions	7,130	7,486	8,315	-	22,931
Disposals	-	-	(44,087)	-	(44,087)
At 31 March 2017	<u>968,207</u>	<u>7,486</u>	<u>80,942</u>	<u>1,370</u>	<u>1,058,005</u>
DEPRECIATION					
At 1 April 2016	164,627	-	62,088	514	227,229
Charge for the year	19,332	407	13,979	343	34,061
On disposals	-	-	(44,087)	-	(44,087)
At 31 March 2017	<u>183,959</u>	<u>407</u>	<u>31,980</u>	<u>857</u>	<u>217,203</u>
NET BOOK VALUE					
At 31 March 2017	<u>784,248</u>	<u>7,079</u>	<u>48,962</u>	<u>513</u>	<u>840,802</u>
At 31 March 2016	<u>796,450</u>	<u>-</u>	<u>54,626</u>	<u>856</u>	<u>851,932</u>
	Freehold Land and Buildings £	Leasehold Land and Buildings £	Plant and Machinery £	Motor Vehicles £	Total £
CHARITY COST					
At 1 April 2016	961,077	-	72,085	1,370	1,034,532
Additions	7,130	7,486	8,857	-	23,473
Disposals	-	-	-	-	-
At 31 March 2017	<u>968,207</u>	<u>7,486</u>	<u>80,942</u>	<u>1,370</u>	<u>1,058,005</u>
DEPRECIATION					
At 1 April 2016	164,627	-	18,036	514	183,177
Charge for the year	19,332	407	13,944	343	34,026
On disposals	-	-	-	-	-
At 31 March 2017	<u>183,959</u>	<u>407</u>	<u>31,980</u>	<u>857</u>	<u>217,203</u>
NET BOOK VALUE					
At 31 March 2017	<u>784,248</u>	<u>7,079</u>	<u>48,962</u>	<u>513</u>	<u>840,802</u>
At 31 March 2016	<u>796,450</u>	<u>-</u>	<u>54,049</u>	<u>856</u>	<u>851,355</u>

Included within the Freehold Land and buildings net book value is £565,622 for the charity's Head Office. This property was formally valued in April 2014. The market value was considered to be £175,000. Given the present uncertainty surrounding redevelopment plans for the local area this would substantially positively impact any valuation and therefore the Trustees feel the basis cost minus depreciation is justified.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

12. INVESTMENTS

The charity holds 2 shares of £1 each in its wholly owned trading subsidiary company Shekinah Trading Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 5.

13. DEBTORS

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	81,555	41,689	81,555	41,689
Other debtors	104,746	3,989	104,746	3,989
Prepayments and accrued income	3,366	20,260	3,366	20,260
	<u>189,667</u>	<u>65,938</u>	<u>189,667</u>	<u>65,938</u>

14. CREDITORS:

Amounts falling due within one year

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	13,120	18,651	13,120	18,651
Amounts owed to group undertaking	-	-	7,011	6,257
Social security and other taxes	17,429	17,885	17,429	17,885
Other creditors	3,971	4,787	3,971	4,787
Accruals and deferred income	54,491	70,982	53,291	69,302
	<u>89,011</u>	<u>112,305</u>	<u>94,822</u>	<u>116,882</u>

15. CONTINGENT LIABILITY - VAT

As at 31 March the charity was in discussion with HMRC regarding the treatment of Input VAT.

The treatment of Input VAT is complex within the charity and this matter has not yet been resolved.

On taking professional advice it is considered that there is likely to be a material amount payable to HMRC once the matter has been resolved.

It is not possible to reliably quantify this amount at the date these accounts have been released for approval.

16. CONTINGENT ASSETS – LEGACY INCOME

As at 31 March 2017, the charity had been notified of two residuary legacies the value of which is uncertain as the executors are awaiting confirmation of other claims on the estates; but they are unlikely to exceed £25,000. As at 31 July 2017, no further information had been received, therefore these legacies have not been accrued.

SHEKINAH MISSION (PLYMOUTH) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. DEFERRED INCOME

Deferred income comprises amounts received for performance related charitable activities that had not been fulfilled at the year end.

	GROUP £	CHARITY £
Balance as at 1 April 2016	55,865	55,865
Amount released to income earned from charitable activities	(78,048)	(78,048)
Amount deferred in the year	61,934	61,934
Balance at 31 March 2017	<u>39,751</u>	<u>39,751</u>

18. CONSOLIDATED STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
UNRESTRICTED FUNDS					
Unrestricted funds	106,774	474,839	(87,157)	(309,978)	184,478
Trading capital funds	<u>8,531</u>	<u>-</u>	<u>(703)</u>	<u>-</u>	<u>7,828</u>
	<u>115,305</u>	<u>474,839</u>	<u>(87,860)</u>	<u>(309,978)</u>	<u>192,306</u>
RESTRICTED FUNDS					
Capital items	709,983	18,225	(14,752)	-	713,456
Day Centre	-	35,334	(187,728)	152,394	-
Growing for life	-	12,820	(32,891)	20,071	-
Training & employability programme	-	183,489	(268,248)	84,759	-
Leonard Stocks Centre	-	298,066	(312,598)	14,532	-
The Big Lottery	6,004	125,016	(123,344)	-	7,676
The Big Lottery – Sustainability Fund	-	73,850	(35,798)	-	38,052
Endeavour House	-	8,585	(46,807)	38,222	-
Other restricted funds	<u>16,622</u>	<u>2,060</u>	<u>-</u>	<u>-</u>	<u>18,682</u>
	<u>732,609</u>	<u>757,445</u>	<u>(1,022,166)</u>	<u>309,978</u>	<u>777,866</u>
Total of funds	<u>847,914</u>	<u>1,232,284</u>	<u>(1,110,026)</u>	<u>-</u>	<u>970,172</u>

Transfers from restricted funds to unrestricted funds occur once a contract has been completed and overheads awarded on such contracts can be utilised with no restrictions by the charity.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Tangible fixed assets	777,288	63,514	840,802	851,932
Current assets	40,328	178,053	218,381	108,287
Creditors due within one year	(39,750)	(49,261)	(89,011)	(112,305)
	<u>777,866</u>	<u>192,306</u>	<u>970,172</u>	<u>847,914</u>

20. OPERATING LEASE COMMITMENTS

At 31 March 2017 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2017	2016	Other 2017	2016
GROUP				
EXPIRY DATE:				
Within 1 year	-	1,700	-	-
Between 2 and 5 years	79,300	103,500	12,234	21,120
After more than 5 years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

At 31 March 2017 the Charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2017	2016	Other 2017	2016
CHARITY				
EXPIRY DATE:				
Within 1 year	-	1,700	-	-
Between 2 and 5 years	79,300	103,500	12,234	21,120
After more than 5 years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

21. RELATED PARTY TRANSACTIONS

Shekinah Mission (Plymouth) Limited is the parent company of Shekinah Trading Limited.

At the year end the charity owed the subsidiary company £7,011 (2016: £6,257). This amount is repayable on demand and no interest is charged on the outstanding balance.

During the year the charity made sales of £13,339 (2016: £10,477) to On Course South West CIC, a company in which Mr J Hamblin and Mr S Withers (key management personnel of Shekinah Mission (Plymouth) Limited) are directors. In addition the company made purchases of £920 (2016: £308) from On Course South West CIC. At the year end Shekinah Mission (Plymouth) Limited was owed £1,600 (2016: £115 owed to) from On Course South West CIC.

During the year the charity made purchases of £2,441 from the spouse of a member of the key management team. At the year-end no amounts were outstanding.

During the year £3,805 was donated to the charity by its trustees and senior management team.

SHEKINAH MISSION (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
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22. CONTROL

The charitable company is controlled by the Board of Trustees and Directors.

23. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Net movement in funds	122,258	26,318	122,961	26,318
Add back depreciation charge	34,061	30,592	34,026	30,082
Add loss on sale of fixed assets	-	19,356	-	19,356
Decrease / (increase) in debtors	(123,729)	38,638	(123,729)	32,943
Increase / (decrease) in creditors	(23,294)	(17,578)	(22,060)	(10,320)
Net cash used in operating activities	<u>9,296</u>	<u>97,326</u>	<u>11,198</u>	<u>98,379</u>

