

Company registration number: 08752389

Charity registration number: 1156690

Empire Fighting Chance

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 October 2018

Mr Christopher Keates-Porter
FCA
Albion Dockside Building
Hanover Place
Bristol
BS1 6UT

Empire Fighting Chance

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 12

Empire Fighting Chance

Reference and Administrative Details

Chairman	Mr D Fordham
Trustees	Ms C Leslie Mr D Fordham Crispin Busk Mr David Phillips Mr Alex Campbell
Principal Office	The Mill Lower Ashley Road Easton Bristol BS5 0YJ
Company Registration Number	08752389
Charity Registration Number	1156690

Empire Fighting Chance

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 October 2018.

Trustees

Ms C Leslie

Mr D Fordham

Crispin Busk

Mr David Phillips

Mr Alex Campbell

Empire Fighting Chance have had another excellent year, with brilliant results working with young people from often complex and chaotic homelives.

We have worked with more young people again this year across South Wales and Bristol, ensuring young people are at the centre of all we do.

Aims and Objectives

Empire Fighting Chance is a registered charity and a company limited by guarantee. The legal framework is set out in the Memorandum & Articles of Association incorporated on 28th October 2013. The charitable objectives established in the Articles of Association are as follows:

To advance in life and help young people through the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life and providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

To help young people, especially but not exclusively through leisure time activities in the form of amateur boxing, develop their capabilities that they may grow to full maturity as individuals and members of society.

To act as a resource for young people up to the age of 25 by providing advice and assistance and organising physical and educational programmes and other activities as a means of:

advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;

- advancing education;
- promoting physical and mental health;
- relieving unemployment;

providing recreational and leisure time activity in the interests of social welfare for people who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances, with a view to improving the conditions of life of such persons.

To promote and protect the physical and mental health of persons suffering from illness or medical conditions of any description or in need of rehabilitation through the provision of physical and educational programmes and other activities and by providing or assisting in the provision of equipment, facilities, financial assistance, practical advice and other support services.

Empire Fighting Chance

Trustees' Report

Reserves Policy and Going Concern

The Board of Trustees has examined the Charity's requirement for reserves in the light of the main risks to the organisation. Around 70% of Empire Fighting Chance's income comes from multi year, core cost grants. As such, risks around finance in the short to medium term are minimal.

Empire Fighting Chance's liabilities are also moderate, taking into account those in respect of redundancies and pensions. As such, the Board of Trustees has established a reserves policy such that unrestricted funds not committed to or invested in tangible fixed assets held by the Charity should be equal to six month's expenditure as a minimum. The total expenditure for 2017/18 was £575,750 therefore the target is £ 287,875 in general reserves. At the end of 2017/18, unrestricted reserves stood at £407,840. This is higher than required but this was due to a combination of factors including recruitment of key positions taking longer than anticipated, some money being ringfenced for an extension to the building, large annual grants being received towards the end of the company year and, as a growing charity, it is sensible and necessary to provide protection and facilitate growth. Free reserves operate at approximately 6 months throughout year.

These reserves are needed to meet Empires working capital requirements. The Executive are confident that, at this level, they would be able to continue the current activities of the Charity, taking into account the risk of a significant drop in funding. The trustees are of the view that Empire Fighting Chance is a going concern.

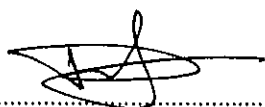
In recognition of the importance of maintaining a healthy level of reserves the Board of Trustees have included reserve balances on the organisations risk register which is reviewed by the Board on a quarterly basis and the treasurer on a monthly one.

Plans for future periods

Key strategic goals for the coming period include growing our ability to trade and generate unrestricted income from donations, income and events, so diversifying income so there is less of a reliance on grants therefore strengthening our independence.

Operationally, Empire is probably at an optimum size in terms of people and culture, and so our plans in this direction relate to exploring other ways to scale our impact beyond employing evermore front-line professionals. The development of training, consultancy and campaigning form part of this, as do goals around growing out impact for inclusivity/diversity and quality.

The annual report was approved by the trustees of the Charity on 7 June 2019 and signed on its behalf by:



.....
Mr D Fordham
Chairman

Empire Fighting Chance

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Empire Fighting Chance for the purposes of company law) are responsible for preparing the and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company 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 of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the Charity on 7 June 2019 and signed on its behalf by:



.....
Mr D Fordham
Chairman

Empire Fighting Chance

Independent Examiner's Report to the trustees of Empire Fighting Chance

I report on the accounts of the company for the year ended 31 October 2018 which are set out on pages 6 to 12 .

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of FCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

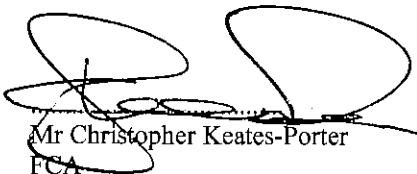
In connection with my examination, no matter has come to my attention:

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

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr Christopher Keates-Porter
FCA

Albion Dockside Building
Hanover Place
Bristol
BS1 6UT

7 June 2019

Empire Fighting Chance

Statement of Financial Activities for the Year Ended 31 October 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income and Endowments from:					
Donations and legacies	2	327,851	332,998	660,849	403,131
Charitable activities		89,743	-	89,743	68,663
Other income	3	19,979	-	19,979	26,140
Total Income		<u>437,573</u>	<u>332,998</u>	<u>770,571</u>	<u>497,934</u>
Expenditure on:					
Raising funds		(52,085)	(650)	(52,735)	(23,402)
Charitable activities		<u>(148,115)</u>	<u>(374,900)</u>	<u>(523,015)</u>	<u>(274,272)</u>
Total Expenditure		<u>(200,200)</u>	<u>(375,550)</u>	<u>(575,750)</u>	<u>(297,674)</u>
Other recognised gains and losses					
Net movement in funds		237,373	(42,552)	194,821	200,260
Reconciliation of funds					
Total funds brought forward		<u>255,317</u>	<u>33,422</u>	<u>288,739</u>	<u>88,479</u>
Total funds carried forward		<u>492,690</u>	<u>(9,130)</u>	<u>483,560</u>	<u>288,739</u>

All of the Charity's activities derive from continuing operations during the above two periods.

Empire Fighting Chance
(Registration number: 08752389)
Balance Sheet as at 31 October 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	7	17,531	5,000
Current assets			
Debtors	8	7,132	24,503
Cash at bank and in hand		<u>471,091</u>	<u>271,430</u>
		478,223	295,933
Creditors: Amounts falling due within one year	9	<u>(12,194)</u>	<u>(12,194)</u>
Net current assets		<u>466,029</u>	<u>283,739</u>
Net assets		<u><u>483,560</u></u>	<u><u>288,739</u></u>
Funds of the Charity:			
Restricted income funds		75,720	118,272
Unrestricted income funds			
Unrestricted income funds		<u>407,840</u>	<u>170,467</u>
Total funds		<u><u>483,560</u></u>	<u><u>288,739</u></u>


For the financial year ending 31 October 2018 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 12 were approved by the trustees, and authorised for issue on 7 June 2019 and signed on their behalf by:



.....
Mr D Fordham
Chairman

Empire Fighting Chance

Notes to the Financial Statements for the Year Ended 31 October 2018

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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

Empire Fighting Chance meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Charity's financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December each year, with the exception of [insert name of subsidiary], which is excluded from consolidation as it is held exclusively with a view to resale. [Name of subsidiary] is accounted for at cost less impairment. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Empire Fighting Chance

Notes to the Financial Statements for the Year Ended 31 October 2018

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and Fittings	25% Reducing Balance
Motor Vehicles	25% Reducing Balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Empire Fighting Chance

Notes to the Financial Statements for the Year Ended 31 October 2018

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2018 £	Total 2017 £
Donations and legacies;				
Donations from individuals	42,315	-	42,315	15,551
Grants, including capital grants;				
Grants from other charities	285,536	332,998	618,534	387,580
	<u>327,851</u>	<u>332,998</u>	<u>660,849</u>	<u>403,131</u>

Empire Fighting Chance

Notes to the Financial Statements for the Year Ended 31 October 2018

3 Other income

	Unrestricted funds		
	General	Total 2018	Total 2017
	£	£	£
Rental income	18,375	18,375	26,140

4 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total 2018	Total 2017
	£	£	£
Independent Examiner's remuneration	960	960	1,150
Professional Fees	69,639	69,639	25,447
Other governance costs	-	-	120
	<u>70,599</u>	<u>70,599</u>	<u>26,717</u>

5 Grant-making

Analysis of grants

The support costs associated with grant-making are £Nil (31 October 2017 - £Nil).

6 Taxation

No tax was charged in the year (2017 - £nil).

Empire Fighting Chance

Notes to the Financial Statements for the Year Ended 31 October 2018

7 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 November 2017	10,000	-	10,000
Additions	<u>-</u>	<u>20,041</u>	<u>20,041</u>
At 31 October 2018	<u>10,000</u>	<u>20,041</u>	<u>30,041</u>
Depreciation			
At 1 November 2017	5,000	-	5,000
Charge for the year	<u>2,500</u>	<u>5,010</u>	<u>7,510</u>
At 31 October 2018	<u>7,500</u>	<u>5,010</u>	<u>12,510</u>
Net book value			
At 31 October 2018	<u>2,500</u>	<u>15,031</u>	<u>17,531</u>
At 31 October 2017	<u>5,000</u>	<u>-</u>	<u>5,000</u>

8 Debtors

	2018 £	2017 £
Trade debtors	<u>7,132</u>	<u>24,503</u>

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	8,412	8,412
Other creditors	2,872	2,872
Accruals	<u>910</u>	<u>910</u>
	<u>12,194</u>	<u>12,194</u>

10 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the Charity in the event of liquidation.