

WOOD STREET MISSION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

COMPANY NUMBER: 03849322

REGISTERED CHARITY NUMBER: 1078337

WOOD STREET MISSION

TRUSTEES REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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WOOD STREET MISSION

TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2018

MEMBERS OF THE BOARD OF TRUSTEES

Chairman

R T Race BSc Hons Chartered FCSI ASIP

Members

M N G Evans BSc FCA

Mrs N D Guy

C A Hadfield FRICS

Ms V Jones

Ms J Watson

Mrs E Willder FCMA CIS (Affiliated) (Appointed 10 July 2019)

Mrs G Winter BA

MANAGER

Mr D Lynch

REGISTERED OFFICE

Wood Street Mission

26 Wood Street

Off Deansgate

Manchester

M3 3EF

BANKERS

National Westminster Bank Plc

Manchester City Centre Branch

19 Market Street

Manchester

M1 1WR

SOLICITORS

DWF LLP

1 Scott Place

2 Hardman Street

Manchester

M3 3AA

WOOD STREET MISSION

TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2018

INVESTMENT MANAGERS

Brewin Dolphin Limited
1 The Avenue
Spinningfields Square
Manchester
M3 3AP

INDEPENDENT EXAMINERS

Hurst Accountants Limited
Chartered Accountants and Statutory Auditors
Lancashire Gate
21 Tiviot Dale
Stockport
SK1 1TD

WOOD STREET MISSION

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees of the charitable company present the financial statements for the year ended 31 December 2018. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and 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).

PRINCIPAL ACTIVITIES IN THE PUBLIC INTEREST

The charity was founded in 1869. The aim of the charity is to provide services to the community with a particular emphasis on mitigating the effects of poverty and deprivation on children, young people and their families in Manchester and the surrounding area.

Our vision is a world where no child in Manchester or Salford is living in poverty.

Our mission is to offer practical help to alleviate the effect of poverty on Manchester and Salford families.

We will do this through the following strategic objectives:

- Increase our impact in the delivery of frontline services.
- Use our assets and resources to develop a sustainable organisation responsive to the needs of local families.
- Develop our work to improve the life chances of children in Manchester and Salford and break the cycle of poverty.
- Modernise our services and ways of working so they are in line with best practice.
- Increase our profile in order to generate funds, attract supporters and build relationships.

In planning and delivering our services and activities, the Trustees and management of Wood Street Mission confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance by the Charity Commission in delivering the activities undertaken by the Charity.

Wood Street Mission's charitable objective is the relief of persons who are in need hardship or distress and without in any way limiting the generality of the foregoing in particular those persons residents in the former administrative area of Manchester and Salford.

RESULTS

The results for the year and their impact on the charity's funds are set out in detail on page 11. The net movement on funds was a surplus of £74,895 (2017: deficit of £43,156). As at 31 December 2018, the charity had total funds of £2,579,066 (2017: £2,504,171) including cash of £199,380 (2017: £101,404).

The Trustees use key performance indicators to monitor performance of the charity. These include actual vs budget; cashflow, investment performance and number of beneficiaries supported.

REVIEW OF ACTIVITIES

As a long-standing children's charity, started by local businessman Alfred Alsop in 1869, Wood Street Mission aims to provide practical help to families living in Manchester and Salford in order to alleviate the day-to-day impact of poverty and improve children's life chances.

All the families that receive assistance from Wood Street Mission are referred initially by professionals that are providing support to them. They include Health Visitors, Community Nurses, Social Workers, and Teachers/Teaching Support Staff. After the initial referral, families are then able to self-refer for all the projects that we undertake. After a twelve month period, those families still in need of our help must once again be re-referred by a support worker who has knowledge and understanding of the particular family's circumstances, in order that they may receive continued support.

REVIEW OF ACTIVITIES (CONTINUED)

Our core project (Family Basics) helped 1,495 families (4,066 children in 2018) with a variety of items, including children's clothing, bedding, baby equipment, toiletries, as well as toys and books. When attending the Family Basics project, parents and guardians can choose items they wish to take (each family is allocated a number of points that can be used on the day of their visit, with each item having a value in points). All goods distributed to families, indeed all the Wood Street Mission projects, are delivered free to families.

This year we have added extra items to the Family Basics project by purchasing supplies from mainly local companies. These are items that are in high demand, items which we do not always have enough donations of on a regular basis. These purchases enable us to deliver as much help as we possibly can to the families referred to us.

The Christmas project (an area of our work that has run throughout Wood Street Mission's history) saw us provide new toys and gifts for some 1,439 families, a total of 3,681 children in 2018. We were again able to organise a Christmas party for over 400 children and parents. There was a range of entertainment provided together with copious amounts of party food, which was kindly provided by our hosts. It was fantastic to see so many children enjoying themselves and engaging with the entertainers, without anyone requiring the latest hi-tech equipment. Sometimes the simplest forms of entertainment are still the best!

At Easter 2018 we were again able to distribute over 10,000 Easter eggs to children through a variety of community groups and support organisations throughout Manchester and Salford.

Our SmartStart (school uniform) project continues to provide much needed support to enable children not only to access school but also to encourage them to take a full part in proceedings once there. As a result, SmartStart is now an all year-round project. This means that, whilst we were able to provide 1,712 families, some 2,714 children, with new school uniform ready for the beginning of the new school year in September, we also made a commitment to provide additional items throughout the year.

Good quality new waterproof school coats were provided as were stationery sets, pencil cases, school bags and revision guides, all of which joined the list of items children require and we were able to provide. We also added an additional aspect to our work through SmartStart, as we introduced provision for older children who, when embarking on a college course, are often in need of help with equipment.

As an example, we were able to provide one student, studying catering/hospitality, with a set of catering knives. The student concerned is now studying at Salford College and has also spent time on a work placement with a prominent hotel in Manchester.

Our Book Clubs continue to be a popular feature of our work and encourage the joy of reading together with promoting the importance of literacy to children and their parents. We hold the Book Clubs in readily accessible venues and in areas from which we receive high levels of referrals. These take place during school holidays, with approximately 2,500 books being distributed at each event. In addition to children choosing the books they wish to read, educational games and activities are included on the day. The children are also provided with a packed lunch, donated by one of our charity partners.

The number of families attending the six Book Clubs held this year was 222, with the number of children receiving free books totalling 508.

During the summer months we held our history exhibition, 'Queues, Clogs and Redemption' at Salford Museum and Art Gallery, which was well received. The exhibition focussed on the role Wood Street Mission played in providing tens of thousands of children with a seaside break in the nineteenth and twentieth centuries. The history exhibition was accompanied by three history walks between the museum and Wood Street led by a tour guide, which proved to be extremely popular.

WOOD STREET MISSION

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

FUTURE PLANS

We have begun to increase the amount of work we do directly with schools with regards to literacy. This is an important element of our work which we plan to increase over the next few years. As such, we now have a place on the steering group of Read Manchester, part of the National Literacy Trust.

Wood Street Mission has an increasingly important role to play in continuing to raise awareness about child poverty. Therefore, we have increased our social media output and revamped our website so that we can highlight our work and increase awareness of issues associated with child poverty in Manchester and Salford. We now have 3,000 Twitter followers and our Facebook 'likes' and 'follows' number 5,900.

SUPPORTERS AND STAFF

As ever, we have been overwhelmed by the amazing support we received from the community to continue and to develop our work supporting families. This includes thousands of individual supporters who donate, raise funds, volunteer and help spread the word about our work, as well as the schools, churches and companies who collect, fundraise and donate their time through volunteering to whom we are hugely grateful.

Although we would like to, there are too many supporters to mention individually. However we are particularly grateful for the generosity of those who have left gifts in their Will and in memory of others and the following key organisational supporters this year:

18 St John's Street Chambers	3M UK
AMPS	AO Smile Foundation
Ascot International	Barclays
BNY Mellon	The Booth Charities
Bunzl Retail Supplies	Cargill
Chandos Civil Engineering	Charles Kirk
David Luke	Esure
Experience Informa	Fichtner Consulting Engineers
Hawksmoor	HMRC - RIS PCD
Hybrid Electrical	JLL
Join the Dots	Kuits Solicitors
Lakeland Picnic	The Lee Sharpe Foundation
LF Europe	The Lowry Hotel
Manchester Cathedral	Manchester Claims Association
Manchester Relief In Need Charity	Manchester Trainee Solicitors Group
Marks & Spencer	Matalan
Oliver Valves	OpenWork Foundation - Cares 4 Kids
OpenMoney	The Orr MacKintosh Foundation
Pinsent Masons LLP	Powell Creative
Red Sea Pedestrians	Remembering Nell Foundation
Santander	Savills
Sheridan Suites	The Studio Manchester
Thursday Morning Bridge Players	TopQuote
The Tricia Drucker Memorial Fund	Turley
UKFast	University of Manchester
The White Stuff Foundation	The Zochonis Charitable Trust

WOOD STREET MISSION

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

SUPPORTERS AND STAFF (CONTINUED)

The number of hours provided by volunteers from our corporate partners last year, assisting with the Family Basics, Christmas and Book Clubs was 2,265 hours.

The number of hours provided by our regular volunteer team assisting with Family Basics, Christmas and Book Clubs was 996 hours.

In total 3,261 volunteer hours were provided with value of approximately £30,000.

During the year, the staff worked tirelessly to provide families with as much support as we can. The Board of Trustees wants to put on record its appreciation and thanks for the huge commitment the staff have shown towards the charity's work.

The staff team, volunteers and Trustees remain committed to working to improve the life chances of local children.

INVESTMENT POLICY AND RETURNS

Surplus resources are invested until they are required for charitable purposes, having taken into account immediate requirements by reference to the charity's performance and projected cashflow for the next six months. The charity has adopted a total return policy for its investment income. The Trustees regularly review the charity's investments in consultation with the Investment Managers within an investment objective and agreed risk profile.

KEY RISKS AND UNCERTAINTIES

The Board has established policies and systems to mitigate risks, which are reviewed each year to ensure they still meet the needs of the charity.

The principle risks of the Charity are:

- Reputational risk
- The risk of safeguarding incidences
- Investment risk including liquidity and performance

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

RESERVES POLICY

The charity has substantial reserves of £2,579,066 (2017: £2,504,171), but not all are directly available to spend on its charitable activities. They include:

- Reserves tied up in buildings, other fixed assets and working capital.
- Building and investment revaluation surpluses.
- Restricted reserves which are only available for the purposes they were donated.
- Designated funds which are set aside for future projects, the likely timing of expenditure of which is not yet known.
- Twelve month's operating costs of the charity.

Excluding these reserves, the Trustees regard all remaining reserves available to spend on charitable activities. At 31 December 2018 this amounted to approximately £148,000 (2017: £350,000).

WOOD STREET MISSION

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

STATUS OF CHARITY

The charity is a registered charity and is incorporated under the Companies Act as a company limited by guarantee. The guarantee of each member is limited to £10 per Trustee, where the same people as the voting members of the charitable company and is payable in the event of the charity being wound up and being unable to meet its debts and liabilities. Wood Street Mission is overseen by a Board of Trustees, which meets regularly throughout the year to supervise the operational activities undertaken by the office staff. One third of the Board retire each year and are eligible for reappointment at the charity's General Meeting.

DIRECTORS

The Directors, who are also the Trustees, who served during the year are listed on page 1. The day to day running and operation of Wood Street Mission is delegated to the Manager. Trustee meetings are held every two months at which Trustees approve items that are their sole responsibility, for example approving annual budgets and the Trustees Annual Report and Accounts.

INDUCTION AND TRAINING OF TRUSTEES

New Trustees are introduced to the charity, usually by existing Trustees, and given a full background to the charity's history and current work with families in Manchester and Salford. The manager and other members of staff provide a tour of the facilities and, together with the information on the website, new Trustees have a good grounding in the charity's activities.

All Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

SUB COMMITTEES OF THE BOARD

There are two subcommittees of the Board, these being the Finance Committee and the Investment Committee. During the financial year to 31 December 2018 these committees had the following members:

Finance Committee	R T Race BSc Hons Chartered FCSI ASIP M N G Evans BSc FCA C A Hadfield FRICS Mrs E Willder FCMA CIS (Affiliated) (Appointed 10 July 2019)
Investment Committee	M N G Evans BSc FCA C A Hadfield FRICS Mrs E Willder FCMA CIS (Affiliated) (Appointed 10 July 2019)

WOOD STREET MISSION

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

STAFF PAY AND REMUNERATION

Remuneration of the key management personnel is agreed by the Board after review. The Trustees look at the Charity's performance and expected performance along with comparative pay scales within the industry and the charity sector when reviewing pay.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Wood Street Mission for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.


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 profit and loss of the charitable company for the year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for maintaining 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.

The Trustees of a charity must, in determining how amounts are presented within items in the profit and loss account and charity balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

By order of the Board


.....
R T Race
Chairman

Date: 11/9/19

WOOD STREET MISSION

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF WOOD STREET MISSION

We report on the financial statements of the company for the year ended 31 December 2018 set out on pages 11 to 28.

This report is made solely to the company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the company's Trustees those matters that we are required to state to them in an Independent examiner's 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 company and the company's Trustees as body, for our work or this report.

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 financial statements. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. We are qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied ourselves that the charity is not subject to audit under part 16 of the Companies Act 2006 and is eligible for independent examination, it is our 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 our attention.

BASIS OF INDEPENDENT EXAMINERS' REPORT

Our 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.

WOOD STREET MISSION

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF WOOD STREET MISSION

INDEPENDENT EXAMINERS' STATEMENT

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

- (1) which gives us reasonable cause to believe that in any material respect the requirements:
- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
 - the accounts do not accord with such records;
 - where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102)
 - to keep accounting records in accordance with section 130 of the Charities Act; and
- (2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....

Helen Besant-Roberts
Hurst Accountants Limited
Independent Examiners and Chartered Accountants
Lancashire Gate
21 Tiviot Dale
Stockport
SK1 1TD

Date: 12 September 2019

WOOD STREET MISSION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018 (INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

		Year ended 31 December 2018			Year ended 31 December 2017		
		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		£	£	£	£	£	£
Income and endowments from							
Donations, gifts and legacies	3	539,750	248,346	788,096	300,430	90,096	390,526
Investments	4	32,833	-	32,833	39,767	-	39,767
Other Income		2,041	3,488	5,529	7,214	-	7,214
Total Income and endowments		574,624	251,834	826,458	347,411	90,096	437,507
Expenditure on							
Charitable activities		358,823	227,729	586,552	227,315	173,891	401,206
Governance costs		77,532	-	77,532	119,802	-	119,802
Total Expenditure	5	436,355	227,729	664,084	347,117	173,891	521,008
Net income / (Expenditure) before other recognised gains		138,269	24,105	162,374	294	(83,795)	(83,501)
Other recognised gains							
Net (losses) / gains on investments	9	(87,479)	-	(87,479)	40,345	-	40,345
Net movement on funds		50,790	24,105	74,895	40,639	(83,795)	(43,156)
Reconciliation of funds							
Total funds brought forward		2,468,556	35,615	2,504,171	2,427,917	119,410	2,547,327
Total funds carried forward	15	2,519,346	59,720	2,579,066	2,468,556	35,615	2,504,171

The above all relate to continuing operations.

There are no other recognised gains or losses other than those noted above and therefore no separate statement of total recognised gains and losses has been prepared.

The notes on pages 14 to 28 form part of the financial statements.

WOOD STREET MISSION

BALANCE SHEET AS AT 31 DECEMBER 2018

COMPANY NUMBER: 03849322

	Note	31 December 2018 £	31 December 2017 £
Fixed assets			
Tangible assets	8	1,208,574	1,245,869
Investment – securities	9	1,137,465	1,150,644
		<u>2,346,039</u>	<u>2,396,513</u>
Current assets			
Stock	10	26,000	-
Debtors	11	20,652	16,370
Cash at bank and in hand	12	199,380	101,404
		<u>246,032</u>	<u>117,774</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(13,005)	(10,116)
		<u>233,027</u>	<u>107,658</u>
Net assets		<u>2,579,066</u>	<u>2,504,171</u>
The funds of the charity			
Unrestricted funds		1,805,729	2,048,939
Designated funds		475,117	175,117
Revaluation reserve		238,500	244,500
		<u>2,519,346</u>	<u>2,468,556</u>
Unrestricted funds	15b	2,519,346	2,468,556
Restricted funds	15c	59,720	35,615
		<u>2,579,066</u>	<u>2,504,171</u>
Total charity funds at 31 December 2018	15	<u>2,579,066</u>	<u>2,504,171</u>

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

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

The financial statements on pages 11 to 28 were approved by the Board of Trustees on 11 September 2019 and were signed on its behalf by:

R T Race

M N G Evans

The notes on pages 14 to 28 form part of the financial statements.

WOOD STREET MISSION**CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018**

COMPANY NUMBER: 03849322

	Note	31 December 2018 £	31 December 2017 £
Cashflows from operating activities			
Net income/(expenditure) for the year		74,895	(43,156)
Depreciation		42,641	43,875
Losses/ (Gains) on investments		87,479	(40,345)
(Increase) in stock		(26,000)	-
(Increase)/ Decrease in debtors		(4,282)	1,773
Increase/ (Decrease) in creditors		2,889	(4,940)
		<hr/>	<hr/>
Net cash generated / (used) from operating activities		177,622	(42,793)
		<hr/>	<hr/>
Cashflows from investing activities			
Purchase of tangible fixed assets		(5,346)	(4,940)
Purchase of investments		(177,504)	(241,400)
Proceeds on sale of investments		103,204	242,303
		<hr/>	<hr/>
Net cash (used) in investing activities		(79,646)	(4,037)
		<hr/>	<hr/>
Increase / (Decrease) in cash and cash equivalents in the year		97,976	(46,830)
Cash and cash equivalents at the beginning of the year		101,404	148,234
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	12	199,380	101,404
		<hr/>	<hr/>

1. ACCOUNTING POLICIES

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.

Wood Street Mission 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.

Company Status

The Charity is limited by guarantee and incorporated in England and Wales. The address of its registered office is Wood Street Mission, 26 Wood Street, Off Deansgate, Manchester, M3 3EF.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per Trustee who are the same people as the voting members of the charitable company.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified to include the revaluation of land and buildings and investments.

Basis of accounting for income and expenditure

All incoming and outgoing resources are accounted for in the Statement of Financial Activities and include:

Incoming resources

(a) **Investment income**

Investment income is accounted for when receivable.

(b) **Legacies**

Legacies and donations are accounted for when received by the Charity.

(c) **Gifts in kind**

Gifts in kind are included as an incoming resource in the Statement of Financial Activities at market value, except where it is difficult to ascribe a value to the benefit received by the Charity.

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Resources expended – costs

(a) Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objectives of the charity. Where expenditure is incurred on several activities, it is apportioned based on the percentage of that resource utilised.

(b) Management and Administration of the Charity's funds

Management and Administration costs represent expenditure incurred in the management of the Charity's assets and compliance with constitutional and statutory requirements.

Taxation

The Charity has been granted exemption by the Commissioners of the Inland Revenue from taxation on its charitable activities under the provisions of Section 505 of the Income and Corporation Taxes Act 1988. Irrecoverable value added tax is included in the cost of the item to which it relates.

Depreciation

All tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided using the following rates which reflect the anticipated useful lives of the assets after allowing for estimated residual values:

Buildings	2%	straight line
Furniture fixtures and fittings	10%-20%	straight line/reducing balance
Computer equipment	25%-33⅓%	straight line
Motor vehicles	33⅓%	straight line

Investment securities

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently restated at market value. Realised and unrealised gains and losses are shown separately in the heading 'net gains/losses on investment' in the Statement of Financial Activities.

Stock

Donated goods for distribution to beneficiaries are measured at their fair value at the time of their receipt.

Debtors

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

Cash at bank and in hand

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

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.

Funds

(a) **Restricted**

Represents funds where the use has been restricted by the donor or by the terms of an appeal.

(b) **Designated**

Represents funds earmarked for future projects.

(c) **Unrestricted**

Represents the general fund of the Charity which receives all other income and to which Direct Charitable Expenditure not covered by Restricted funds is charged together with Indirect Expenditure.

Liabilities and provisions

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

Pensions

The Charity operates a defined contributions pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Charity in the year.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires Trustees to make significant judgements and estimates. The items in the financial statements where their judgements and estimates have been made include:

Tangible fixed assets

The Trustees of the Charity exercises judgement in estimating the useful economic life of the freehold property, fixtures and fittings, computer equipment and motor vehicles.

Accruals

Accruals are entered in the financial statements based on the Trustees expectations, taking into account various business and economic factors relevant to each individual item.

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. INCOME FROM DONATIONS, GIFTS & LEGACIES

	Year ended 31 December 2018	Year ended 31 December 2017
Donations and gifts	325,110	283,978
Legacies	333,696	106,548
Gifts in kind	129,290	-
	<hr/>	<hr/>
	788,096	390,526
	<hr/>	<hr/>

During the year, the Charity received donations in kind to the value of £129,290 in the form of school stationery and bags, school jumpers and sweatshirts, coats, sportswear and training sports footwear. They were distributed to families as required throughout the year.

Similarly during the year donations of toys and food were received for distribution to families at Christmas. However, without considerable time and expense it is not practicable to quantify the value attributable to them.

4. INVESTMENT INCOME

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Dividends	32,710	39,738
Interest	123	29
	<hr/>	<hr/>
	32,833	39,767
	<hr/>	<hr/>

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. RESOURCES EXPENDED

(a) Resources expended in 2018

	Unrestricted Funds £	Restricted funds £	Total £
Charitable activities			
Community Shop & Easter Appeal	196,144	318	196,462
School Uniform	64,364	174,195	238,559
Christmas Appeal	-	46,684	46,684
Book Club	16,453	2,706	19,159
Other Activities	1,990	3,826	5,816
Development Work	79,872	-	79,872
	<hr/>	<hr/>	<hr/>
	358,823	227,729	586,552
	<hr/>	<hr/>	<hr/>
Governance costs	77,532	-	77,532
	<hr/>	<hr/>	<hr/>
Total Resources Expended 2018	436,355	227,729	664,084
	<hr/>	<hr/>	<hr/>

(b) Resources expended in 2017

	Unrestricted Funds £	Restricted funds £	Total £
Charitable activities			
Community Shop & Easter Appeal	116,893	9,895	126,788
School Uniform	16,722	107,158	123,880
Christmas Appeal	-	44,659	44,659
Book Club	10,364	8,803	19,167
Other Activities	20,178	3,376	23,554
Development Work	63,158	-	63,158
	<hr/>	<hr/>	<hr/>
	227,315	173,891	401,206
	<hr/>	<hr/>	<hr/>
Governance costs	119,802	-	119,802
	<hr/>	<hr/>	<hr/>
Total Resources Expended 2017	347,117	173,891	521,008
	<hr/>	<hr/>	<hr/>

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. RESOURCES EXPENDED (CONTINUED)

(c) Resources expended by type in 2018

	Community Shop and Easter Appeal	School Uniform	Christmas Appeal	Book Club	Other Activities	Develop- ment work	Gove- rnance	Total
	£	£	£	£	£	£	£	£
Staff Costs	99,699	17,447	17,036	2,524	1,401	27,923	55,198	221,228
Establishment Costs	31,849	3,733	10,396	4,246	-	3,107	3,107	56,438
Administration Costs	18,124	1,456	6,144	1,353	300	46,323	16,834	90,534
Project Costs	19,262	214,128	5,536	10,077	4,115	125	-	253,243
Depreciation	27,528	1,795	7,572	959	-	2,394	2,393	42,641
Total Resources Expended 2018	196,462	265,559	46,684	19,159	5,816	79,872	77,532	664,084

Expenditure is allocated on an actual basis.

(d) Resources expended by type in 2017

	Community Shop and Easter Appeal	School Uniform	Christmas Appeal	Book Club	Other Activities	Develop- ment work	Gove- rnance	Total
	£	£	£	£	£	£	£	£
Staff Costs	62,821	22,138	11,719	5,867	7,529	56,576	57,497	224,147
Establishment Costs	22,813	1,880	7,520	2,134	3,760	-	-	38,107
Administration Costs	14,855	1,567	8,276	1,330	6,485	-	55,162	87,675
Project Costs	7,871	96,759	11,001	8,299	2,710	-	564	127,204
Depreciation	18,428	1,536	6,143	1,537	3,070	6,582	6,579	43,875
Total Resources Expended 2017	126,788	123,880	44,659	19,167	23,554	63,158	119,802	521,008

Expenditure is allocated on an actual basis.

6. INDEPENDENT EXAMINER REMUNERATION

The independent examiners remuneration amounts to £400 (2017: £370).

7. STAFF COSTS

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Wages and salaries	195,361	197,624
Social security costs	8,775	10,828
Other pension costs	10,397	9,248
Other staff costs	6,695	6,447
	<u>221,228</u>	<u>224,147</u>

There were no termination payments in the year (2017: £22,590).

Neither the chairman nor any other member of the Board received any remuneration for their services or reimbursement of expenses during the year, nor were any trustee expenses incurred.

There were no employees with emoluments above £60,000 (2017: one employee with emoluments between £70,000-£79,999).

The average weekly number of full-time equivalent employees who were paid was as follows:

	Year ended 31 December 2018	Year ended 31 December 2017
Direct charitable activities	8	7
Management and administration	3	2
	<u>11</u>	<u>9</u>

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. TANGIBLE FIXED ASSETS

	Freehold property £	Van £	Furniture & equipment £	Total £
Cost or valuation				
At 1 January 2018	1,500,501	30,000	26,436	1,556,937
Additions	-	-	5,346	5,346
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	1,500,501	30,000	31,782	1,562,223
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2018	277,249	13,333	20,486	311,068
Charge	30,010	10,000	2,631	42,641
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	307,259	23,333	23,117	353,709
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2018	1,193,242	6,667	8,665	1,208,574
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2017	1,223,252	16,667	5,950	1,245,869
	<hr/>	<hr/>	<hr/>	<hr/>

The company has chosen to retain the book values of land and buildings which were previously revalued, and not to revalue the assets in the future. All assets are to be held for charitable purposes.

If freehold property had not been revalued it would have been included in the financial statements at the following amounts:

	31 December 2018 £	31 December 2017 £
Historical cost	1,200,501	1,200,501
Accumulated depreciated based on cost	(245,739)	(221,739)
	<hr/>	<hr/>
	954,762	978,762
	<hr/>	<hr/>

The property was last valued in 2007 by an independent valuer using market-based evidence of similar properties in the local area. The Trustees review this annually for impairment.

9. INVESTMENTS - SECURITIES**Listed Investments**

	31 December 2018 £	31 December 2017 £
Market value		
At 1 January 2018	1,150,644	1,111,202
Additions	177,504	241,400
Sale proceeds	(103,204)	(242,303)
Realised and unrealised (losses)/profits	(87,479)	40,345
	<hr/>	<hr/>
Market Value at 31 December 2018	1,137,465	1,150,644
	<hr/>	<hr/>
	31 December 2018 £	31 December 2017 £
Fixed interest securities	346,797	335,461
Equities in Unit Trusts	790,668	815,183
	<hr/>	<hr/>
Investment assets	1,137,465	1,150,644
	<hr/>	<hr/>

There were no investments which individually comprised more than 5% of the market value of the total portfolio.

The historical cost of the investments is £1,094,965 at 31 December 2018 (2017: £996,527).

WOOD STREET MISSION**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018****10. STOCK**

	31 December 2018 £	31 December 2017 £
Donated goods	26,000	-
	<u>26,000</u>	<u>-</u>

Stocks represent sweatshirts received as donations in kind and were distributed to families in 2019.

11. DEBTORS

	31 December 2018 £	31 December 2017 £
Amounts falling due within one year		
Income tax recoverable	3,000	3,000
Accrued income	7,126	8,038
Investment income	2,219	522
Prepayments	8,307	4,810
	<u>20,652</u>	<u>16,370</u>

An impairment loss of £nil (2017: £nil) was recognised against trade debtors.

12. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand and at bank	199,380	101,404
	<u>199,380</u>	<u>101,404</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2018 £	31 December 2017 £
Other creditors and accruals	13,005	10,116
	<u>13,005</u>	<u>10,116</u>

14. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through income and expenditure	1,137,465	1,150,644
Financial assets that are debt instruments measured at amortised cost	9,345	8,560
	<u>1,146,810</u>	<u>1,159,204</u>
Financial liabilities		
Financial liabilities measured at amortised cost	13,005	10,116
	<u>13,005</u>	<u>10,116</u>

Financial assets measured at fair value through income and expenditure include fixed asset investments.

Financial assets that are debt instruments measured at amortised cost include other debtors.

Financial liabilities measured at amortised cost include other creditors and accruals.

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

15. THE FUNDS OF THE CHARITY

(a) General

Total reserves are represented by the following:

	31 December 2018		31 December 2017	
	£	£	£	£
Freehold building & other fixed assets		1,208,574		1,245,869
Investments		1,137,465		1,150,644
Net current assets:				
Unrestricted	(301,810)		(53,074)	
Designated	475,117		125,117	
Restricted	59,720		35,615	
		233,027		107,658
		2,579,066		2,504,171

(b) Unrestricted funds 2018

	Unrestricted funds £	Designated funds £	Revaluation reserve £	Total £
At 1 January 2018	2,048,939	175,117	244,500	2,468,556
Net movement of funds during the year	(249,210)	300,000	-	50,790
Depreciation on revalued portion of land and building	6,000	-	(6,000)	-
At 31 December 2018	1,805,729	475,117	238,500	2,519,346

Designated funds relate to a legacy which has only been received in-part, of which a further £300,000 was received in the year, and which the Trustees have earmarked for future projects.

WOOD STREET MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

15. THE FUNDS OF THE CHARITY (CONTINUED)

(b) Unrestricted funds 2017

	Unrestricted funds £	Designated funds £	Revaluation funds £	Total £
At 1 January 2017	2,102,300	75,117	250,500	2,427,917
Net movement of funds during the year	(59,361)	100,000	-	40,639
Depreciation on revalued portion of land and building	6,000	-	(6,000)	-
At 31 December 2017	2,048,939	175,117	244,500	2,468,556

Designated funds relate to a legacy which has only been received in-part and which the Trustees have earmarked for future projects.

(c) Restricted funds

These are restricted funds to be used exclusively for expenses relating to the areas below:

	31 December 2017 £	Movement in resources		31 December 2018 £
		Income £	Expenditure £	
Christmas appeal	7,212	46,185	(46,684)	6,713
School uniform	25,000	175,195	(174,195)	26,000
Community shop & Easter appeal	-	318	(318)	-
Books	-	9,946	(2,706)	7,240
Others	3,403	20,190	(3,826)	19,767
	35,615	251,834	(227,729)	59,720

The restricted reserves are held to buy school uniform, clothing, bedding, books and other items for charitable purposes.

WOOD STREET MISSION**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018****15. THE FUNDS OF THE CHARITY (CONTINUED)****(c) Restricted funds (continued)**

These are restricted funds to be used exclusively for expenses relating to the areas below:

	31 December 2016 £	Movement in resources		31 December 2017 £
		Income £	Expenditure £	
Christmas appeal	9,515	42,356	(44,659)	7,212
School uniform	90,122	42,036	(107,158)	25,000
Community shop & Easter appeal	8,500	1,395	(9,895)	-
Books	4,823	3,980	(8,803)	-
Others	6,450	329	(3,376)	3,403
	<u>119,410</u>	<u>90,096</u>	<u>(173,891)</u>	<u>35,615</u>

The restricted reserves are held to buy school uniform, clothing, bedding, books and other items for charitable purposes.

16. ANALYSIS OF ASSETS AND LIABILITIES BY FUND

	31 December 2018			31 December 2017		
	Unrestricted fund £	Restricted fund £	Total £	Unrestricted fund £	Restricted fund £	Total £
Fixed assets	2,346,039	-	2,346,039	2,371,513	25,000	2,396,513
Current assets	186,312	59,720	246,032	107,159	10,615	117,774
Current liabilities	(13,005)	-	(13,005)	(10,116)	-	(10,116)
	<u>2,519,346</u>	<u>59,720</u>	<u>2,579,066</u>	<u>2,468,556</u>	<u>35,615</u>	<u>2,504,171</u>

The Trustees have designated £475,117 (2017: £175,117) of funds for future projects.

17. RELATED PARTY TRANSACTIONS

Key management are considered to be the Board of Trustees and they received no remuneration (2017: £nil).

There were no related party transactions in this or the prior year.

18. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,397 (2017: £9,248). Contributions totalling £18 (2017: £826) were payable to the fund at the balance sheet date and are included in creditors. The pension liability and expense are allocated from unrestricted funds.

19. MEMBERS OF THE COMPANY AND ULTIMATE CONTROL

The members of the company have no entitlement to distribution on dissolution of the company. They each have limited liability of up to £10. There is no overall control of this charitable company.

20. POST- BALANCE SHEET EVENTS

There were no events after the date of the balance sheet that would affect the financial statements.