

Charity Registration No. 290211

Company Registration No. 01816116 (England and Wales)

KENT ENTERPRISE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

KENT ENTERPRISE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss S Worth L F Stone B Macdowall S Ward J W Egan	(Appointed 16 January 2019)
Secretary	Mrs M J Frost	
Charlty number	290211	
Company number	01816116	
Registered office	Kent Enterprise Trust The Links Heme Bay Kent United Kingdom CT6 7GQ	
Independent examiner	GF & Co 1 The Links Heme Bay Kent CT6 7GQ	

KENT ENTERPRISE TRUST

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KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016).

The charity is registered as a charitable company limited by guarantee constituted under a Memorandum of Association dated 13 November 1984.

Objectives and activities

Objectives and Aims

Founded in 1983 as a response to the rising unemployment and deprivation in East Kent the charity now resides in Herne Bay but has a remit to work across the county of Kent.

Our Charitable Mission

Improving lives of people in Kent by enabling them to overcome individual challenges to employment through support, opportunities and training to develop their full potential.

Our Vision

No one in Kent of employment age should be out of work because they have not had the opportunity to reach their full potential.

Significant Achievements and Social Impact

1. Disability Confident Employer with all sites having ground floor wheelchair facilities
2. Output reduced from 176 people to 125 which enabled improved outcomes
 - 12 into employment from 6 last year
 - 6 business start-ups from 4 last year
 - 15 trading businesses from 10 last year
 - Hundreds of people were supported at Kent Enterprise House by 4 staff
 - 57 people were supported at Kent Enterprise Gardens by 2 p/t staff
3. Increased social impact reach to people with complex needs
 - 25 reported mental health issues compared to 27 last year
 - 25 reported learning difficulties compared to 24 last year
 - 21 reported physical health disabilities compared to 26 last year
 - 3 reported being an ex-offender compared to 2
 - 3 reported being an ex-addict compared to 1
4. Increased service delivery across the district with new premises supporting
 - 41 were under 25 years
 - 24 were aged 25 to 35 years
 - 14 were aged 35 to 45 years
 - 38 were over 45 years
 - 6 were retired volunteers providing peer support and reduced isolation
5. Investment into our 6 staff with weekly study leave
 - Level 7 apprenticeship in Business Admin, sponsored by **University of Kent**
 - Level 3 apprenticeship in Business Admin, funded by **Colyer-Fergusson**
 - Level 3 apprenticeship in Digital Media, funded by **Colyer-Fergusson**
 - Level 2 apprenticeship in Business Admin, funded by **Colyer-Fergusson**
 - Level 2 apprenticeship in Horticulture, funded by **Colyer-Fergusson**
 - One to one counselling and coaching, sponsored by **Fenton Consultancy**

KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Achievements and performance

1. Kent Enterprise Gardens

We have expanded our garden and practical skills provision at Herne Bay (an area of coastal deprivation) to a new site in Canterbury kindly **sponsored by University of Kent** to enable our beneficiaries and their students to walk or cycle to our services to support 57 people pa, 13 of whom were students, 26 were volunteers and 18 were new learners. Both sites were let to us on a peppercorn rent to engage the community in food growing and tool maintenance and repairs in an inclusive space that is accessible to all by providing the following benefits:

- A safe environment for vulnerable and potentially vulnerable people.
- Training and advice from horticulturalists and experienced gardeners.
- Provision of skill and knowledge that will support into gainful employment.
- A site to be used by the community for gardening projects.
- A venue that promotes healthy living, eating and wellbeing.

Extended outdoor service provision:

- Allotment Gardening at Herne Bay funded by **Henry Smith**.
- Grow Wild at Herne Bay funded by **Greggs**.
- Allotment Gardening at Canterbury funded by **Big Lottery**.
- Community Kitchen at Canterbury funded by **West Kent Housing**.
- Wellbeing Wednesdays at Canterbury funded by **University of Kent**.
- Level 1 Horticulture Traineeships at Canterbury funded by **Earnest Cook**.
- Plant Stall and Tuck Shop to provide retail and cash handling experience.

Most attendees are under 35 year old students or NEET's seeking work experience, training, confidence and company. The two members of staff are supported by 4 EDBS checked retired volunteers, who provide one to one support to those that need it, plus we have sessional tutors from **KCC, Groundworks, Windmill and Natural Pathways**.

- 22 were under 24
- 11 were 25-34
- 6 were 35-44
- 6 were 45-54
- 9 were 55-64
- 4 were over 65 volunteer mentors and gardeners

Regarding their barriers to employment 5 reported physical health disabilities, 11 mental health issues, 14 learning difficulties, 1 ex-offender and 1 ex-addict.

KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2. Kent Enterprise House

Kent Enterprise House is a purpose built training facility providing business admin, hospitality and customer service work experience for beneficiaries with regular training provided by our partners **Excite, Explore, Excel, KCC, Response, Thanet Community Development Trust, Shella Caulfield, Freshlook and Go Train.**

A number of community groups hire our venue such as **Herne Bay Coastal Community Team, Canterbury and Herne Bay Volunteer Centre, NHS, Ixion Holdings** and recruitment drives for new business. It is the local polling station and can be available to the public from 6:00 am to 10:00 pm seven days a week. Our charity shops have been expanded to develop skills for our beneficiaries in customer service, stock control, cash handling and banking. This year we have expanded the opportunities:

- Tuck Shop
- Plant and Craft Stalls
- Fruit and Veg Stalls
- Second hand furniture and IT sales

We invested further in the building to create new closed offices to increase rental income returning to the charity to contribute to our premises overheads and **Screw Fix** funded refurbishment of our reception and communications room. We have a growing demand for our business start-up hub supporting local people to make a sustainable living self-employed at a low cost with on-site mentors and advisers, with all start-ups being successful, moving into closed offices and recruiting additional staff. During the year we supported 23 businesses of which 6 were new start-ups and 3 recruited additional employees by the end of the year. We also held quarterly networking events for businesses and beneficiaries to gain confidence and share knowledge.

Our volunteer led Job Club continued thanks to sponsorship from **Girllings Solicitors** to support people who do not have a computer, WIFI, heating or need help reading and writing their applications. A new Craft Club commenced for people with learning difficulties every Friday when the Herne Bay Umbrella Centre is closed, kindly funded by **Balley Thomas**. Money Management courses were funded by **Tesco** and delivered in house. Employability courses were funded by **Kent Community Foundation** and **Earnest Cook** delivered in partnership with local employers and trainers. In total the building supported 68 unemployed people for over 4000 hours of which 8 secured employment during the year of which:

- 22 were under 24
- 13 were 25-34
- 8 were 35-44
- 13 were 45-54
- 10 were 55-64
- 2 were over 65 volunteer mentors or readers for the Training, Job or Craft Club

Regarding their barriers 16 reported physical health disabilities, 14 reported mental health issues, 11 reported learning difficulties, 2 were ex-offenders and 2 were ex-addicts.

KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3. The Growth Journey Into Training, Employment or Volunteering

Our staff, trustees and volunteer session leaders are DBS checked, safeguarding officers who conduct individual risk assessments and personal evacuation plans as required for our vulnerable adults.

40 people achieved accredited qualifications, 12 obtained job interviews, 2 requested references following their Interviews, 14 secured employments and 3 people gained self-employment with a further 45 beneficiaries undertaking enhanced skill development through volunteering across KEH and KEG to further increase their likelihood of employment in the future. We had 47 volunteers at KEH and 60 at KEG who have either continued volunteering with us or have undertaken further training.

Grants for our charitable services increased during the period for people who require additional support increased enabling us to expand our programme with structured work experience within our office and/or garden. It is tailored to meet individual requirements and personal goals for approximately 16 hours per week for six weeks. Individuals can self-refer or be referred to us by the **Job Centre, Canterbury College, East Kent College, Canterbury Christ Church, Hadlow College, University of Kent, Kennedy Scott, Go Train, CXK, Community Driving School** and the local volunteer centres.

If they do not obtain employment or self-employment at the end of their training, they can remain with us as a volunteer to continue their time with us, in a volunteer role with specific duties in their area of expertise, passing on their skills and knowledge of the sites and programme to new learners to increase their confidence, skills, knowledge and attend further training for volunteers.

Some remain as friends of the charity even after gaining employment, returning for social events and training courses. Others become employed by the charity, this year we employed 2 former beneficiaries.

4. Community Engagement and Social Impact

We were a founder member of **Herne Bay Coastal Community Team** and **Business Change Masters**. We also attend **Canterbury in Bloom, Margate** and **Canterbury Employment Forums** and **Herne Bay Town Partners** working closely with them to enhance the local services.

We are an Employment Points partner with **Kent University** and work experience provider for **East Kent College** in roles such as photography, marketing, IT, research and environmental policy.

We host and participate in a number of community events, including employability and volunteering fairs and monthly fundraising events across the county.

KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

5. Healthy Living and Sustainability

At the garden, we teach beneficiaries how to grow healthy food without the use of chemicals and hot houses. We discuss and demonstrate methods of cooking and eating what we have grown using our clay oven and encourage people to take home the produce at the end of the day to ensure they have healthy fresh food when living on limited means, supplementing the long life produce from the Food Bank. Many elderly residents visit the garden for fresh seasonal produce as they find it difficult to get to out of town supermarkets or grow their own vegetables. They also say that they like the fact that their food is grown locally without pesticides.

All our sites have strong environmental policies and procedures, which are reviewed annually by an Environmental Champion from **University of Kent**. Our CEO was awarded a scholarship from **University of Kent** as an MBA Leader in Sustainability.

6. Trustee, Staff and Volunteer Training and Development

No trustees claimed expenses during the period but volunteer expenses increased as developed a number of volunteer led initiatives off site.

Investment in staff, trustee and volunteer training has increased with funding from **Lloyds Enable Programme** to create a Service Improvement Plan with the following Internal promotions:

- Director was promoted to CEO with study leave for a Masters in Business Administration.
- Project Officer was promoted to Manager with one to one mentoring from our Treasurer.
- Receptionist was promoted to Grants and Fundraising Officer with external training.
- Digital Media Apprentice was promoted to Marketing and IT Executive.
- 4 new apprentices were recruited, inducted and trained during the period.

7. Future Planning and Reserves Policy

Our strategic plan is reviewed annually by the Board at an Away Day together with our policies and procedures and Risk Register.

The charity endeavours to keep two to three months running costs in reserve to allow for late payments. All material investments are buildings and equipment which are used as working assets. During the period we received a mortgage holiday to help us recover from the loss of a trading arm rental and gift aid income, which was achieved by a previous over payment with a PPI claim. **HSBC** has been very understanding and supportive of the charity during this difficult time and has worked with us to investigate our options to sell all or part of the building but we have not yet received any offers and have increased our income to enable mortgage payments to resume.

Financial review

Structure, governance and management

KENT ENTERPRISE TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Governing Document

The charity is controlled by its governing document, a Deed of Trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and Appointment of New Trustees

The charity recruits trustees with adherence to its policies on Equal Opportunity. A three-stage process is normal with an introduction from the Chief Executive with accountability for decisions resting with the board. Trustees are expected to commit to continued on-going development and ensure they are conversant with the latest legislation, best practice and responsibilities of running a charity. All trustees declare and record any conflict of interest and sign to confirm their eligibility to act as a trustee.

Organisational Structure and Decision-Making

The trustees delegate operational responsibility to deliver on its strategy and charitable mission to the Chief Executive.

Risk Management

Each year a review of the charity's activities is undertaken in terms of potential and actual risks and the risk management plan is updated accordingly in order to minimise the risks. A revised risk register and scoring system was approved during the year. The responsibility for day-to-day implementation of the risk management strategy rests with the Chief Executive who provides the Board with an annual report, details the outcomes of previous reviews and the proposed actions.

P J Norford	(Resigned 16 January 2019)
Miss S Worth	
L F Stone	
Mrs R Cooper	(Resigned 30 August 2018)
B Macdowall	
S Ward	
J W Egan	(Appointed 16 January 2019)

The report was approved by the Board of Trustees.



Mrs M J Frost
Company Secretary
Dated: 4 September 2019

KENT ENTERPRISE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF KENT ENTERPRISE TRUST

I report to the trustees on my examination of the financial statements of Kent Enterprise Trust (the charity) for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for Independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an Independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



GF & Co

1 The Links
Herne Bay
Kent
CT6 7GQ

Dated: 4 September 2019

KENT ENTERPRISE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	3	6,585	101,052	107,637	29,136
Other trading activities	4	109,881	1,960	111,841	118,278
Investments	5	151	-	151	160
Total Income		<u>116,617</u>	<u>103,012</u>	<u>219,629</u>	<u>147,574</u>
<u>Expenditure on:</u>					
Charitable activities	6	<u>105,956</u>	<u>103,784</u>	<u>209,740</u>	<u>158,636</u>
Net income/(expenditure) for the year/ Net movement in funds		10,661	(772)	9,889	(11,062)
Fund balances at 1 April 2018		<u>722,037</u>	<u>1,252</u>	<u>723,289</u>	<u>734,351</u>
Fund balances at 31 March 2019		<u><u>732,698</u></u>	<u><u>480</u></u>	<u><u>733,178</u></u>	<u><u>723,289</u></u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

KENT ENTERPRISE TRUST

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11	1,492,715		1,496,149	
Investments	12	220		-	
		<u>1,492,935</u>		<u>1,496,149</u>	
Current assets					
Debtors	14	32,649		14,331	
Cash at bank and in hand		38,700		59,144	
		<u>71,349</u>		<u>73,475</u>	
Creditors: amounts falling due within one year	16	(93,993)		(96,267)	
Net current liabilities			(22,644)		(22,792)
Total assets less current liabilities			<u>1,470,291</u>		<u>1,473,357</u>
Creditors: amounts falling due after more than one year	17		(737,113)		(750,068)
Net assets			<u>733,178</u>		<u>723,289</u>
Income funds					
Restricted funds			480		1,252
<u>Unrestricted funds</u>					
Designated funds:					
Designated contingency reserve		36,200		37,000	
Capital Reserve - Kent Enterprise House		720,369		717,556	
	18	<u>756,569</u>		<u>754,556</u>	
General unrestricted funds		(23,871)		(32,519)	
			<u>732,698</u>		<u>722,037</u>
			<u>733,178</u>		<u>723,289</u>

KENT ENTERPRISE TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

Notes	2019		2018	
	£	£	£	£

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 4 September 2019

J W Egan
Trustee



Company Registration No. 01816116

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Kent Enterprise Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Kent Enterprise Trust, The Links, Herne Bay, Kent, CT6 7GQ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% straight line on building costs
Leasehold improvements	2% straight line on building costs
Fixtures and fittings	50% on a straight line basis and 25% on a straight line basis
Computers	25% on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and grants	6,585	101,052	107,637	29,136
For the year ended 31 March 2018	6,807	22,329		29,136

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Donations and legacies

(Continued)

Donations and Grants

KCC Apprentice	-	-	-	(3,313)
CCC Fund	-	4,634	4,634	4,000
Kent Community Fund	-	7,000	7,000	3,000
Henry Smith	-	3,567	3,567	3,687
KCC Job Club	-	-	-	1,000
DWP Job Club	-	-	-	1,824
Colyer Fergusson	-	42,424	42,424	911
Lloyds	-	14,089	14,089	9,720
Bailey Thomas Craft Club	-	10,000	10,000	1,500
Other Various Grants	-	15,519	15,519	-
Donations	6,585	3,819	10,404	6,807
	<u>6,585</u>	<u>101,052</u>	<u>107,637</u>	<u>29,136</u>

4 Other trading activities

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Rental income	103,008	-	103,008	116,693
Gardening income	422	-	422	266
Other income	1,578	-	1,578	1,319
Oasis project	-	1,960	1,960	-
Gala ball	4,831	-	4,831	-
Craft club sales	42	-	42	-
Other trading activities	<u>109,881</u>	<u>1,960</u>	<u>111,841</u>	<u>118,278</u>
For the year ended 31 March 2018	<u>118,278</u>	<u>-</u>	<u>118,278</u>	<u>118,278</u>

5 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	<u>151</u>	<u>160</u>

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6 Charitable activities

	2019 £	2018 £
Gardening costs	1,092	13
Catering supplies	2,682	1,026
Accountancy	2,535	9,430
Charitable expenditure	-	105
Health and safety	692	214
Bank charges	357	267
Bank loan interest	18,633	16,197
Gala ball	4,639	-
	<u>30,630</u>	<u>27,252</u>
Share of support costs (see note 7)	179,110	128,984
Share of governance costs (see note 7)	-	2,400
	<u>209,740</u>	<u>158,636</u>
Analysis by fund		
Unrestricted funds	105,956	134,193
Restricted funds	103,784	24,443
	<u>209,740</u>	<u>158,636</u>
For the year ended 31 March 2018		
Unrestricted funds	134,193	
Restricted funds	24,443	
	<u>158,636</u>	

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	94,905	-	94,905	71,760
Depreciation	3,582	-	3,582	3,712
Hire of plant and machinery	2,572	-	2,572	1,037
Rates	15,531	-	15,531	(1,848)
Insurance	2,647	-	2,647	2,653
Light and heat	9,778	-	9,778	14,640
Telephone	2,908	-	2,908	4,550
Postage and stationery	702	-	702	246
Sundries	3,159	-	3,159	3,968
Subscriptions	551	-	551	544
Travel	1,200	-	1,200	1,506
Premises repairs	19,814	-	19,814	10,749
Training	3,308	-	3,308	-
Advertising and marketing	1,538	-	1,538	-
Cleaning	6,287	-	6,287	-
Computers and software	10,628	-	10,628	-
Independent examination	-	-	-	2,400
	<u>179,110</u>	<u>-</u>	<u>179,110</u>	<u>131,384</u>
Analysed between				
Charitable activities	<u>179,110</u>	<u>-</u>	<u>179,110</u>	<u>131,384</u>

8 Net movement in funds

	2019	2018
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	<u>3,582</u>	<u>3,712</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Gardening (Canterbury)	1	1
Training (Home Bay)	5	4
	<u>6</u>	<u>5</u>

Employment costs

	2019 £	2018 £
Wages and salaries	90,012	68,384
Social security costs	2,572	1,269
Other pension costs	2,321	2,107
	<u>94,905</u>	<u>71,760</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2018	1,514,762	4,252	78,786	13,515	1,611,315
Additions	-	-	-	147	147
At 31 March 2019	<u>1,514,762</u>	<u>4,252</u>	<u>78,786</u>	<u>13,662</u>	<u>1,611,462</u>
Depreciation and impairment					
At 1 April 2018	24,073	43	78,786	12,263	115,165
Depreciation charged in the year	3,127	85	-	370	3,582
At 31 March 2019	<u>27,200</u>	<u>128</u>	<u>78,786</u>	<u>12,633</u>	<u>118,747</u>
Carrying amount					
At 31 March 2019	<u>1,487,562</u>	<u>4,124</u>	<u>-</u>	<u>1,029</u>	<u>1,492,715</u>
At 31 March 2018	<u>1,490,688</u>	<u>4,209</u>	<u>-</u>	<u>1,252</u>	<u>1,496,149</u>

12 Fixed asset investments

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12	Fixed asset Investments	(Continued)	
			Unlisted Investments £
	Cost or valuation		
	At 1 April 2018		-
	Additions		220
	At 31 March 2019		220
	Carrying amount		
	At 31 March 2019		220
	At 31 March 2018		-
13	Financial Instruments	2019 £	2018 £
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	31,576	12,106
	Equity instruments measured at cost less impairment	220	-
	Carrying amount of financial liabilities		
	Measured at amortised cost	826,031	838,531
14	Debtors	2019 £	2018 £
	Amounts falling due within one year:		
	Trade debtors	31,576	12,106
	Prepayments and accrued income	1,073	2,225
		32,649	14,331
15	Loans and overdrafts	2019 £	2018 £
	Bank loans	767,193	771,657
	Payable within one year	30,080	21,589
	Payable after one year	737,113	750,068

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Loans and overdrafts

(Continued)

The long-term loans are secured by way of a first legal charge over the leasehold property. The mortgage will end on 9 June 2039.

16 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans	15	30,080	21,589
Other taxation and social security		5,075	7,804
Trade creditors		7,657	3,564
Other creditors		50,621	39,394
Accruals and deferred income		560	23,916
		<u>93,993</u>	<u>96,267</u>

17 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans	15	<u>737,113</u>	<u>750,068</u>

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Transfers £	Balance at 31 March 2019 £
Designated contingency reserve	37,000	(800)	36,200
Capital Reserve - Kent Enterprise House	717,556	2,813	720,369
	<u>754,556</u>	<u>2,013</u>	<u>756,569</u>

KENT ENTERPRISE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

19 Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at 31 March 2019 are represented by:				
Tangible assets	1,492,715	-	1,492,715	1,496,149
Investments	220	-	220	-
Current assets/(liabilities)	(22,644)	-	(22,644)	(22,792)
Long term liabilities	(737,113)	-	(737,113)	(750,068)
	<u>733,178</u>	<u>-</u>	<u>733,178</u>	<u>723,289</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

KENT ENTERPRISE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	7,085	6,807
Grants	100,552	22,329
	<hr/>	<hr/>
	107,637	29,136
Other activities		
Rental income	103,008	116,693
Gardening Income	422	266
Other income	1,578	1,319
Oasis project	1,960	-
Gala ball	4,831	-
Craft club sales	42	-
	<hr/>	<hr/>
	111,841	118,278
Investment income		
Interest receivable	151	160
	<hr/>	<hr/>
Total Incoming resources	219,629	147,574
EXPENDITURE		
Charitable activities		
Wages	90,016	68,384
Social security	2,572	1,269
Pensions	2,321	2,107
Gardening costs	1,091	13
Catering supplies	2,682	1,026
Accountancy	2,535	9,430
Charitable expenditure	-	105
Health and safety	692	214
Gala ball	4,639	-
	<hr/>	<hr/>
	106,548	82,548
Support costs		
Management		
Hire of plant and machinery	2,572	1,037
Rates	15,529	(1,848)
Insurance	2,647	2,653
Light and heat	9,778	14,640
Telephone	2,908	4,550
Postage and stationery	702	246
Sundries	3,159	3,968
Subscriptions	551	544
Travel	1,200	1,506
Premises repairs	19,814	10,749
Training	3,308	1,107
Advertising and marketing	1,537	1,562
H.R. support	-	855
Cleaning	6,287	6,379
Computers and software	10,628	5,564
Depreciation - Long leasehold	3,127	3,127
Depreciation - Improvements to property	85	43
Depreciation - Computer equipment	370	542
	<hr/>	<hr/>
	84,202	57,224

KENT ENTERPRISE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
Finance		
Bank charges	357	267
Bank loan Interest	18,633	16,197
	<hr/>	<hr/>
	18,990	16,464
 Governance costs		
Independent examination	-	2,400
	<hr/>	<hr/>
Total resources expended	(209,740)	(158,636)
	<hr/>	<hr/>
Net expenditure	<u>9,889</u>	<u>11,062</u>
