

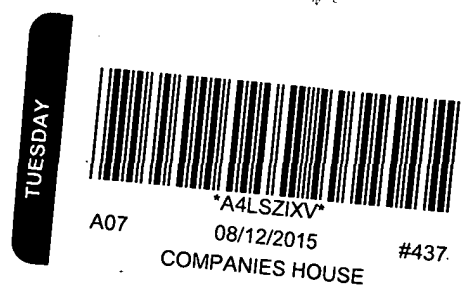
South Leeds Alternative Trading Enterprise Limited

Charity number 1149293

A company limited by guarantee number 06394383

Annual Report and Financial Statements

for the year ended 31 March 2015



South Leeds Alternative Trading Enterprise Limited

Annual Report and Financial Statements for the year ended 31 March 2015

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Prepared by West Yorkshire Community Accounting Service

South Leeds Alternative Trading Enterprise Limited

Trustees' report for the year ended 31 March 2015

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Harjinder Sagoo		Resigned 30 October 2014
Jude McCarthy		
David Ide		Resigned 17 February 2015
Frances Woolaston		
Veronica Mee		
Samantha Barnard		
Edward Carlisle		Appointed 26 June 2015
Richard Wixey		Appointed 30 October 2014
Keith Garrard		Appointed 3 November 2014

Company secretary

Charity number 1149293 Registered in England and Wales

Company number 06394383 Registered in England and Wales

Registered and principal address

Unit 1 Balm Road Industrial Park
Balm Road, Hunslet
Leeds
LS10 2BG

Bankers

Lloyds TSB Bank plc
Vicar Lane Branch
2 The Headrow
Leeds
LS1 6PN

Co-operative Bank plc
PO Box 250
Skelmersdale
WN8 6WT

Independent examiner

Simon Bostrom FCIE

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a company limited by guarantee and was formed on 9 October 2007. It is governed by a memorandum and articles of association as amended by special resolutions on 1 October 2012 and 9 October 2012. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10. The company was registered as a charity on 11 October 2012.

Method of recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

Trustee remuneration

During the period no trustees received any remuneration or expenses in respect of their attendance at board meetings or any other activities in relation to the charity.

South Leeds Alternative Trading Enterprise Limited

Trustees' report (continued) for the year ended 31 March 2015

Objectives and activities

The charity's objects

(1) To further such charitable purposes falling within the description of charitable purposes. Being the advancement of citizenship or community development - Charitable purposes that fall within this description being:

- a) The promotion of good citizenship and civic responsibility.
- b) The promotion of urban and rural regeneration.
- c) The promotion of volunteering for the public benefit.
- d) The promotion of the voluntary sector for the public benefit.
- e) Promoting the efficiency and effectiveness of charities and the effective use of charitable resources.
- f) The promotion of community capacity building; and by promoting or advancing exclusively charitable purposes of charities involved with social investment.

(2) To advance education and training for the public benefit.

(3) To relieve those in need and to promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society - "Socially excluded" means being excluded from society, or part of society, as a result of being a member of a socially and economically deprived community - by undertaking charitable activities which assist those by reason of their age, ill-health, disability, financial hardship or other disadvantage.

(4) To protect and preserve the environment for the public benefit by the promotion of waste reduction, refuse reclamation, recycling, the re-use and repair of recycled products and the use of surplus.

(5) To further such other charitable purposes as the trustees may determine from time to time. The aim being to address the well-being of socially and economically disadvantaged communities in Leeds. 'Well-being' shall mean ensuring the basic needs of individuals and the community are met in relation to health, education, financial security, employment, the built environment and access to public services, amenities and recreation facilities.

The charity's main activities

To carry on activities which benefit the community and in particular (without limitation) to contribute to the social, environmental and economic well-being of the people of South Leeds by setting up not for profit social enterprise businesses with environmental and social aims which offer work opportunities to people with learning and other difficulties.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit.

Achievements and performance

Furniture Operation

South Leeds Alternative Trading Enterprise has continued during the past year to operate The Feel Good Furniture Shop on Low Road in Hunslet, Leeds. We opened a second furniture shop in Armley in March 2015. Both shops allow us to continue to supply affordable used furniture and electrical items to people in need in South Leeds and surrounding areas rather than these items going to landfill. The shop has experienced a large increase in demand for its goods during the last year and this is in part due to the efforts of the staff and volunteers that work hard to offer a good service to our customers.

Our shop would not exist without the generous people who donate their unwanted, pre-loved furniture. We continue to provide free collection of quality used furniture, helping people de-clutter their houses, dispose of "old" things when they are buying new, or find a home for a deceased relative's treasured possessions.

South Leeds Alternative Trading Enterprise Limited

Trustees' report (continued) for the year ended 31 March 2015

Achievements and performance continued

During Financial year 2014-15 we diverted 104.7 Tonnes of furniture and electrical items from landfill.

Weight Diverted from Landfill	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
April	3.3	1.6	2.2	6.1	9.8	10.5
May	1.3	1.8	2.5	7.3	9.1	0
June	1.5	1.6	2.5	6.3	9.9	8.6
July	1.4	2	2	7.9	8.1	8.2
August	2	2.5	1.7	9.7	10.5	9.3
September	3.5	2.3	1.1	9.2	11.1	11
October	1.5	6.9	3.2	10	10.3	12.4
November	2.3	5	5.3	10.5	11.5	10.4
December	2	1.6	3.4	6.4	6.6	7.1
January	1.7	2.8	6.2	7.6	11.5	10.3
February	1.9	3.9	5.7	9.4	12	9.2
March	2	0	4.3	8.9	13.2	7.7
	24.4	32	40.1	92.9	123.6	104.7

Catering Operation

The Feel Good Café that we established in Beeston has gone from strength to strength. It allows us to offer training and volunteering in catering to adults with learning disabilities and other members of the local community. We are also running community cooking classes to help educate local families about the benefits of freshly prepared meals.

Volunteers

We continue to provide volunteering and employment for people with Learning Disabilities. We have continued to support two ring fenced posts for adults with learning disabilities to work as driver's mate assisting with the delivery and collection of our furniture and other items. We also support a number of volunteers with learning disabilities to experience a work style environment that is supportive and encouraging to build their confidence and work related skills. We have also continued to offer volunteering opportunities to people with mental health issues and other disabilities to ensure that they can increase their skills, confidence and employability.

Plans For The Future

We aim to grow all our retail outlets to ensure that they become established in the local community. We hope that this will allow us to offer more training, employment and volunteering opportunities to people with learning disabilities and other difficulties. We are working towards replacing our Adult Social Care grant with clients on the Direct Payment scheme this will dovetail with our plans to integrate a new training centre for our volunteers into our Warehouse in Hunslet and are currently actively seeking funding for this.

Finance

The growth in Furniture sales has seen our trading income grow over this past year. We are grateful to all funders that have given us grants over the past year including Leeds City Council Adult Social Care, Leeds City Council Leeds Inspired Fund, Leeds Community Foundation through the Yorkshire Venture Philanthropy Large Grant Fund, The People's Health Trust; and Leeds City Council members Inner Area South Committee for their continued support. We would also like to thank The Key Fund for their continuing finance and investment support.

South Leeds Alternative Trading Enterprise Limited

Trustees' report (continued) for the year ended 31 March 2015

Financial review

The net income for the year was £30,719, including net income of £8,185 on unrestricted funds and net income of £22,534 on restricted funds after transfers.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £137,316.

The trustees aim to maintain sufficient reserve funds to cover between 3 and 6 months operating expenditure.

Funds held as custodian trustee on behalf of others

At the year end the charity was holding £2,500 on behalf of the Leeds Furniture Reuse Group (LFRG). This sum has been excluded from the charity's bank balance in the balance sheet as per the Charities SORP guidance.

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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;

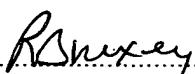
state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial accounts 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.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees:

Signed  (Trustee)

Name RICHARD WIXEY

Date 7.12.2015

South Leeds Alternative Trading Enterprise Limited

Independent examiner's report to the trustees of South Leeds Alternative Trading Enterprise Limited

I report on the accounts of the charitable company for the year ended 31 March 2015, which are set out on pages 7 to 12.

Respective responsibilities of the trustees and the 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.

Having satisfied myself that the charity is not subject to an 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, follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 the 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:

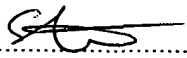
1) which gives me reasonable cause to believe that in any material respect the requirements:

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 (SORP 2005).

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.

Signed:  Name: Simon Bostrom

Relevant professional qualification or body: FCIE

Date: 7/12/15

West Yorkshire Community Accounting Service
Stringer House
34 Lupton Street
Leeds
LS10 2QW

South Leeds Alternative Trading Enterprise Limited
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 March 2015

	Notes	2015 Unrestricted funds £	2015 Restricted funds £	2015 Total funds £	2014 Total funds £
Incoming resources					
Grants and donations	(2)	1,110	94,317	95,427	117,646
Furniture sales		156,514	-	156,514	188,444
Cafe sales		71,249	-	71,249	69,173
Other sales and fees		5,309	-	5,309	5,748
Recycling credits		3,962	-	3,962	7,239
Placement fees		11,380	-	11,380	2,425
Bank interest		71	-	71	67
Total incoming resources		249,595	94,317	343,912	390,742
Resources expended					
Salaries, NIC's and payroll costs	(3)	94,584	53,692	148,276	151,945
Recruitment		177	-	177	197
Volunteer expenses		6,002	-	6,002	8,789
Conference and training		5,194	-	5,194	2,962
Furniture store purchases		4,222	-	4,222	1,224
Cafe purchases		29,631	591	30,222	30,936
Repairs and maintenance		4,397	-	4,397	7,608
Vehicle maintenance and fuel		11,873	-	11,873	10,791
Postage, phone and internet		1,341	-	1,341	1,847
Office consumables		2,939	-	2,939	4,142
Advertising and publicity		4,227	-	4,227	3,476
Registrations and subscriptions		1,205	-	1,205	1,584
Premises costs		43,420	8,500	51,920	35,089
Insurance		3,355	-	3,355	2,736
Clothing and uniforms		928	-	928	237
Bank charges		1,395	-	1,395	935
Accountancy and independent examination		1,400	-	1,400	1,730
Loan interest payable		1,408	-	1,408	1,625
Awaydays and team building		1,519	-	1,519	542
Freelancers		26,194	-	26,194	33,818
Depreciation		4,999	-	4,999	5,168
Total resources expended		250,410	62,783	313,193	307,381
Net income before transfers		(815)	31,534	30,719	83,361
Transfers between funds		9,000	(9,000)	-	-
Net movement in funds		8,185	22,534	30,719	83,361
Fund balances brought forward		124,683	591	125,274	41,913
Fund balances carried forward	(4)	132,868	23,125	155,993	125,274

All incoming resources and resources expended derive from continuing activities.

The previous year's transactions relate to the 15 months from 1 January 2013 to 31 March 2014 and have not been adjusted.

South Leeds Alternative Trading Enterprise Limited

Balance sheet

as at 31 March 2015

		2015	2015	2015	2014
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Fixed assets					
Tangible assets	(5)	14,996	-	14,996	-
Total fixed assets		<u>14,996</u>	<u>-</u>	<u>14,996</u>	<u>-</u>
Current assets					
Stock		-	-	-	5,000
Debtors and prepayments	(6)	32,306	-	32,306	8,843
Cash at bank and in hand	(7)	120,499	23,125	143,624	127,511
Total current assets		<u>152,805</u>	<u>23,125</u>	<u>175,930</u>	<u>141,354</u>
Current liabilities:					
amounts falling due within one year					
Creditors and accruals	(8)	15,489	-	15,489	16,080
Total current liabilities		<u>15,489</u>	<u>-</u>	<u>15,489</u>	<u>16,080</u>
Net current assets		<u>137,316</u>	<u>23,125</u>	<u>160,441</u>	<u>125,274</u>
Total assets less current liabilities		<u>152,312</u>	<u>23,125</u>	<u>175,437</u>	<u>125,274</u>
Creditors: amounts falling due after one year	(9)	19,444	-	19,444	-
Net assets		<u>132,868</u>	<u>23,125</u>	<u>155,993</u>	<u>125,274</u>
Funds					
Unrestricted funds		132,868	-	132,868	124,683
Restricted funds		-	23,125	23,125	591
Total funds		<u>132,868</u>	<u>23,125</u>	<u>155,993</u>	<u>125,274</u>

For the year ending 31 March 2015 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who also the directors for the purposes of company law) 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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved at a meeting of the trustees and signed on its behalf by:

Signed: Richard Wixey

(Trustee)

Name RICHARD WIXEY

Date: 7.12.2015

South Leeds Alternative Trading Enterprise Limited

Notes to the accounts

for the year ended 31 March 2015

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), the Companies Act 2006 and Financial Reporting Standard for Smaller Entities (effective April 2008).

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, the trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Donated goods for resale are valued at the amount actually realised upon their sale.

Donated assets, facilities or services are valued at their estimated value to the charity. This is the price that the charity estimates it would pay in the open market for equivalent items; or services and facilities of equivalent utility to the charity.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out the resources.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Motor vehicles: over 4 years

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Leases

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

South Leeds Alternative Trading Enterprise Limited

Notes to the accounts continued

for the year ended 31 March 2015

2 Grants and donations	2015	2015	2015	2014
	Unrestricted	Restricted	Total	Total
	funds	funds	funds	funds
	£	£	£	£
Leeds City Council - Adult Social Care (ASC)	-	37,000	37,000	46,250
Yorkshire Venture Philanthropy Fund (YVPF)	-	35,000	35,000	-
LCC Area Committee	-	9,000	9,000	-
Leeds Inspired	-	5,625	5,625	400
The Peoples Health Trust	-	4,692	4,692	-
Leeds City College	-	3,000	3,000	-
Revive	-	-	-	31,072
Jimbos Fund	-	-	-	12,450
LCC Transition fund	-	-	-	10,000
LCC ASC - capital element released from	-	-	-	5,168
LCC Winter warmth grants	-	-	-	4,000
Ideas that change lives	-	-	-	3,032
LCC Inner South Area Committee	-	-	-	1,364
Greggs Foundation	-	-	-	1,100
Arise	-	-	-	400
General donations	1,110	-	1,110	2,410
	<u>1,110</u>	<u>94,317</u>	<u>95,427</u>	<u>117,646</u>

3 Staff costs and numbers	2015	2014
	£	£
Gross salaries	143,790	147,565
Social security costs	2,968	2,822
Payroll charges	1,518	1,558
	<u>148,276</u>	<u>151,945</u>

The average number employees during the year was 13, being an average of 7 full time equivalent (2014: 13, 7 FTE).

There were no employees with emoluments above £60,000.

4 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
LCC ASC (delivery team)	-	37,000	37,000	-	-
YVPF	-	35,000	17,500	-	17,500
LCC Area Committee	-	9,000	-	(9,000)	-
Leeds Inspired	-	5,625	-	-	5,625
The Peoples Health Trust	-	4,692	4,692	-	-
Leeds City College	-	3,000	3,000	-	-
Winter warmth 2014	591	-	591	-	-
	<u>591</u>	<u>94,317</u>	<u>62,783</u>	<u>(9,000)</u>	<u>23,125</u>

South Leeds Alternative Trading Enterprise Limited
Notes to the accounts continued
for the year ended 31 March 2015

Fund name	Purpose of restriction
LCC ASC (delivery team)	To provide alternative day care services
YVPF	Funding to expand the furniture operation
LCC Area Committee	Towards the purchase of a new van The transfer relates to the capital purchase and the vehicle will be depreciated through unrestricted funds
Leeds Inspired	To run an artistic training course which will take place in 2015/16
The Peoples Health Trust	To run educational cooking classes for the local community
Leeds City College	Towards apprentice training costs
Winter warmth 2014	Towards providing support to people living in cold homes

5 Tangible assets

	Motor vehicles	Total
<u>Cost</u>	£	£
At 1 April 2014	20,673	20,673
Additions	19,995	19,995
At 31 March 2015	40,668	40,668
<u>Depreciation</u>		
At 1 April 2014	20,673	20,673
Charge for year	4,999	4,999
At 31 March 2015	25,672	25,672
<u>Net book value</u>		
At 31 March 2015	14,996	14,996
At 31 March 2014	-	-

6 Debtors and prepayments

	2015	2014
	£	£
Debtors	25,270	5,846
Prepayments	7,036	2,997
	32,306	8,843

7 Cash at bank and in hand

	2015	2014
	£	£
Lloyds TSB current account	2,296	3,773
Lloyds TSB savings account	49,810	54,782
Co-op current	30,748	5,772
Co-op savings	31,320	58,314
Co-op Café	8,957	3,960
Petty cash shop	255	82
Petty cash café	7	33
Cash float	280	80
Triodos savings	19,100	-
Undeposited funds	851	715
	143,624	127,511

South Leeds Alternative Trading Enterprise Limited
Notes to the accounts continued
for the year ended 31 March 2015

8 Creditors and accruals due within one year	2015	2014
	£	£
Creditors	484	1,711
Accruals	3,338	1,786
Deferred income - LCC Business Support Centre	-	9,250
Key Fund loan	<u>11,667</u>	<u>3,333</u>
	<u>15,489</u>	<u>16,080</u>

9 Creditors and accruals due after one year	2015	2014
	£	£
Key Fund loan	<u>19,444</u>	<u>-</u>
	<u>19,444</u>	<u>-</u>

10 Security over assets

Key Fund Investments Ltd holds a floating charge over the charity's property, assets and rights in respect of the Key Fund loan disclosed in notes 8 and 9.

11 Trustee expenses

No trustee received any expenses during the year.

12 Related party transactions

There were no related party transactions during the year.

13 Operating leases

Rents payable under non-cancellable operating leases	Balm Road warehouse	Low Road shop	Canal Road shop
	£	£	£
Within one year	20,335	21,530	8,022
In more than one year but not more than five years	35,131	37,637	14,478
In more than five years	<u>-</u>	<u>-</u>	<u>-</u>
	<u>55,466</u>	<u>59,167</u>	<u>22,500</u>