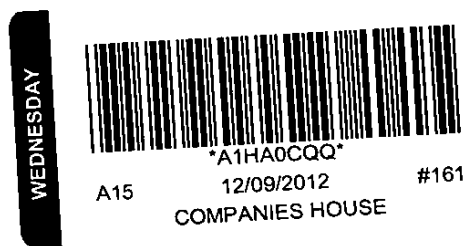


South Leeds Alternative Trading Enterprise Limited

A company limited by guarantee number 06394383

Annual Report and Financial Statements

for the year ended 31 December 2011



South Leeds Alternative Trading Enterprise Limited

Annual Report and Financial Statements ***for the year ended 31 December 2011***

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Prepared by West Yorkshire Community Accounting Service

South Leeds Alternative Trading Enterprise Limited

Directors' report for the year ended 31 December 2011

Reference and administrative details of the company, its directors and advisors

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

Name	Position	Dates
Harjinder Sagoo		
Frances Jones		resigned Apr 2011
Helen Collins		resigned Apr 2012
Jude McCarthy		
David Ide		
Frances Woolaston		Appointed Apr 2012
Veronica Mee		Appointed Apr 2012
Samantha Barnard		Appointed Apr 2012

Company number 06394383

Registered and principal address

1 Low Road
Hunslet
Leeds
LS10 21QR

Bankers

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

Independent examiners

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

Structure, governance and management

The company was formed on 9 October 2007 and is limited by guarantee. It is governed by a memorandum and articles of association. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10.

Method of recruitment and appointment of directors

The directors of the company are appointed by the members at the AGM.

The company's objects

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.

To carry on such other activities in support of the above as the directors shall think fit from time to time.

South Leeds Alternative Trading Enterprise Limited

Directors' report (continued) for the year ended 31 December 2011

Principal activities of the company in the course of the year

Key Points for 2011

Feb/March 2011

The Community Interest Company, Revive, which was formed in Nov 2010 in partnership with Emmaus, Leeds, and the St Vincent De Paul Society bid for and won the contract to run the shop on the East Leeds household waste site. Work starts on the preparation of the new building.

March/April 2011

The Feel Good Furniture Shop has now moved from Moor End to Low Road.



May-11

Consultant engaged to oversee review of operations and make recommendations to the board.

Aug-11

The Goodwin Trust engaged to undertake full review of SLATE funded by Adult Social Care. The Revive Shop opened its doors to the general public.

September-November 2011

Consultant implements review and restructure of staff.

Dec-11

Review and restructure complete.

Key Objectives

Supporting people with learning disabilities to live a productive and meaningful life
Supporting the environment and reduce the amount of waste going to landfill
Providing quality furniture to households in the most disadvantaged areas of the city
Educating the general public around reuse and recycling

Objective 1

What are we trying to achieve?

Supporting people with Learning Disabilities to live a meaningful life

What we need to do

Support people with a learning disability to access mainstream services including employment

Objective 2

What are we trying to achieve?

Supporting the environment and reduce the amount of waste going to landfill

What we need to do

Refurbish broken and unsellable furniture, make new items from old

South Leeds Alternative Trading Enterprise Limited

Directors' report (continued) for the year ended 31 December 2011

Objective 3

What are we trying to achieve?

Providing quality furniture to households in the most disadvantaged areas of the city

What we need to do

Have locally based outlets for sale of stock

Objective 4

What are we trying to achieve?

Educating the general public around reuse and recycling

What we need to do

Ensure objective is firmly embedded in Marketing Plan

Volunteers

At the end of 2010 the staffing situation was follows

Paid Staff

Louise Megson – Interim Operations Director (Consultant) replacing Frances Jones (left May 2010)

Gary Wild and Karl Day (left November)

Jeremy Morton – Driving Team Leader replacing Simon Parkinson (left November)

Kevin and Patrick - Driving Team Assistants

Volunteers:

Front of House

Lynda Spink

Malcolm Morgan

Jane & Victoria Eastwood

Ian Buttery (LD)

Back of House

Richard Wixey

Tim Vasey

Cleaning Team

Chris Boland (LD)

Peter Stanley (LD)

Sylvia Hoyle (LD)

Driving Team/Back of House

Roger Foyle

Theo Garvey (LD)

Barry Inglis (LD)

Admin

Frances Woolaston

Steve Tirson

(LD stands for Learning Disabilities)



South Leeds Alternative Trading Enterprise Limited

Directors' report (continued) for the year ended 31 December 2011

Customers

After a shaky start to the move we have gradually managed to build back up our customer base and our sales are increasing steadily month by month. Footfall is increasing monthly and there is a count planned for early 2012.

Donors

Our shop would not exist without the generous people who donate their unwanted, pre-loved furniture. As from 2010 we are now serving the whole of Leeds, we 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. Thank you to all our donors!

We are also grateful to Leeds City Council Waste Management, who encourage us to collect from the Holmewell Road Household Waste Sorting Site in Middleton.

Weight Diverted from Landfill in kg's	2009	2010	2011
January	2 4	1 7	2 8
February	2 2	1 9	3 9
March	1 9	2 0	Not Available
April	3 3	1 6	2 2
May	1 3	1 8	2 5
June	1 5	1 6	2 5
July	1 4	2 0	2 0
August	2 0	2 5	1 7
September	3 5	2 3	1 1
October	1 5	6 9	3 2
November	2 3	5 0	5 3
December	2 0	1 6	3 4

Finances

Sales equates to 39% of this year's total income, grants 56% with 5% other income.

Applying for grants takes up a lot of time and outcomes can be very uncertain. Generating our income through selling on furniture not only helps our customers and donors but also increases opportunities for our volunteers – altogether more satisfying!

Key Fund gave us a £5,000 grant on top of a £20,000 loan for the move.

We are grateful this year to Leeds City Council Adult Social Care who supported SLATE during this review period and provided £5,000 towards the cost of Goodwins report on top of their main grant of £49,009 which supports the driving team.

LCC Inner Area Committee have provided grants throughout the year for £3,898 equipment and the refit of the new shop.

Recycling credits £2,197

During 2010 it was with regret that Jane Eastwood was recalled into Adult Social Care, discussions are still underway with regard to replacing her very valuable contribution.

South Leeds Alternative Trading Enterprise Limited
Directors' report (continued) for the year ended 31 December 2011

Plans for the future

Jimbo's Fund have very generously offered £20,000 towards the ongoing cost of implementing the review during 2012. It has been agreed that a portion of this would be used to retain the current consultant for this purpose.

Goodwins have agreed to provide a full set of new policies, procedures and staff handbook for our ongoing HR.

We have a target of shop sales of £10,000 per month to be achieved during 2012 and we believe now that this is fully achievable.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the directors to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for the year. In preparing these financial statements, the directors are required to

select suitable accounting policies and apply them consistently,

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 company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company 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 special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of directors

Signed Frances A. Woolaston (Director)

Name FRANCES ANNE WOOLASTON

Date 10th SEPTEMBER, 2012

South Leeds Alternative Trading Enterprise Limited
Independent examiners' non-statutory report to the directors of South
Leeds Alternative Trading Enterprise Limited

We report on the accounts of the company for the year ended 31 December 2011, which are set out on pages 8 to 12

Respective responsibilities of the directors and the examiners

The company is not a registered charity, and, as such is under no statutory obligation to prepare accounts in any prescribed format or to undergo any kind of external scrutiny. However, the directors consider that the company's activities are analogous to those of a charity and so as a matter of good practice they require the accounts to be subject to a form of external scrutiny. The directors have, therefore, engaged us to carry out an independent examination of the accounts based on the procedures set out in the general Directions given by the Charity Commission (as far as they would be applicable and relevant if the company was a charity) and to report whether particular matters have come to our attention.

Basis of Independent examiners' statement

Our examination comprised of a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from the directors members 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 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

to keep accounting records in accordance with section 386 of the Companies Act 2006, and

to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006

have not been met, or

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

Date 10 September 2012

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

South Leeds Alternative Trading Enterprise Limited
Income and expenditure account
for the year ended 31 December 2011

	Notes	2011 Unrestricted funds £	2011 Restricted funds £	2011 Total funds £	2010 Total funds £
Income					
Grants and donations	(2)	10,569	58,407	68,976	35,182
Sales and fees		47,957	-	47,957	52,938
Recycling credits		2,197	-	2,197	937
Other income		3,779	-	3,779	1,488
Bank interest		4	-	4	3
Total income		64,506	58,407	122,913	90,548
Expenditure					
Salaries, NICs and payroll costs		39,963	30,938	70,901	56,926
Redundancy		2,615	-	2,615	-
Recruitment		221	-	221	317
Staff travel expenses		54	-	54	78
Volunteer expenses		584	1,952	2,536	1,126
Conference and training		365	-	365	749
Purchases		14,210	-	14,210	10,781
Store equipment and materials		2,704	135	2,839	2,491
Vehicle maintenance and fuel		5,725	1,227	6,952	6,117
Postage, phone and internet		1,247	-	1,247	785
Office consumables		555	-	555	1,343
Advertising and publicity		58	1,180	1,238	877
Registrations and subscriptions		199	-	199	101
Premises costs		30,833	-	30,833	-
Insurances		3,122	-	3,122	2,210
Clothing and uniforms		542	-	542	840
Bank charges		934	-	934	548
Accountancy and independent examination		450	-	450	420
Legal and professional charges		2,503	5,000	7,503	38
Move costs		389	2,500	2,889	2,086
Depreciation		5,168	-	5,168	5,169
Loan interest payable		975	-	975	-
Losses due to theft		4,505	-	4,505	-
Donations		500	-	500	-
Total expenditure		118,421	42,932	161,353	93,002
Net income / (expenditure) on operating activities		(53,915)	15,475	(38,440)	(2,454)
Fund balances brought forward		13,644	-	13,644	16,098
Fund balances carried forward	(3)	(40,271)	15,475	(24,796)	13,644

All incoming resources and resources expended derive from continuing activities

South Leeds Alternative Trading Enterprise Limited

Balance sheet

as at 31 December 2011

		2011	2011	2011	2010
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Fixed assets					
Tangible assets	(4)	10,336	-	10,336	15,504
Total fixed assets		<u>10,336</u>	<u>-</u>	<u>10,336</u>	<u>15,504</u>
Current assets					
Stock		1,200	-	1,200	1,200
Debtors and prepayments	(5)	2,610	5,000	7,610	1,083
Cash at bank and in hand	(6)	(10,345)	10,475	130	25,442
Total current assets		<u>(6,535)</u>	<u>15,475</u>	<u>8,940</u>	<u>27,725</u>
Current liabilities:					
amounts falling due within one year					
Creditors and accruals	(7)	22,237	-	22,237	24,416
Total current liabilities		<u>22,237</u>	<u>-</u>	<u>22,237</u>	<u>24,416</u>
Net current assets / (liabilities)		<u>(28,772)</u>	<u>15,475</u>	<u>(13,297)</u>	<u>3,309</u>
Total assets less current liabilities		<u>(18,436)</u>	<u>15,475</u>	<u>(2,961)</u>	<u>18,813</u>
Creditors: amounts falling due after one year	(8)	21,835	-	21,835	5,169
Net assets / (liabilities)		<u>(40,271)</u>	<u>15,475</u>	<u>(24,796)</u>	<u>13,644</u>
Funds					
Unrestricted funds		(40,271)	-	(40,271)	13,644
Restricted funds		-	15,475	15,475	-
Total funds		<u>(40,271)</u>	<u>15,475</u>	<u>(24,796)</u>	<u>13,644</u>

For the year ending 31 December 2011 the 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 company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

Signed Frances A Woolaston (Director)

Name FRANCES ANNE WOOLASTON Date 10/09/2012

South Leeds Alternative Trading Enterprise Limited

Notes to the accounts

for the year ended 31 December 2011

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 Companies Act 2006 and the 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.

Grants and donations

Grants are initially credited to deferred income. Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred. Grants towards capital expenditure are released to the income and expenditure account over the expected useful life of the assets.

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 company to pay out the resources.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

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

Equipment held under finance leases: over the life of the lease

Pensions

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the company.

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.

South Leeds Alternative Trading Enterprise Limited

Notes to the accounts continued

for the year ended 31 December 2011

2 Grants and donations	2011 Unrestricted funds £	2011 Restricted funds £	2011 Total funds £	2010 Total funds £
Leeds City Council (LCC) Adult Social Care (ASC)		49,009	49,009	17,185
LCC ASC (evaluation)	-	5,000	5,000	-
Keyfund	5,000	-	5,000	-
LCC Inner Area Committee (South)	-	3,898	3,898	(425)
LCC Councillors MICE grants	400	500	900	-
LCC Councillors' grants	-	-	-	150
LCC Business Support Centre	-	-	-	17,332
ARISE South Leeds	-	-	-	940
LCC ASC - capital element released from deferred income to match vehicle depreciation	5,169	-	5,169	-
	<u>10,569</u>	<u>58,407</u>	<u>68,976</u>	<u>35,182</u>

3 Restricted funds	Balance b/f £	Incoming £	Outgoing £	Balance c/f £
LCC Inner area south (publicity)	-	1,398	1,180	218
LCC Inner area south (move)	-	2,500	2,500	-
LCC ASC (delivery team)	-	47,782	33,025	14,757
LCC ASC (vehicle costs)	-	1,227	1,227	-
LCC ASC (evaluation)	-	5,000	5,000	-
LCC Councillors' grant	-	500	-	500
	<u>-</u>	<u>58,407</u>	<u>42,932</u>	<u>15,475</u>

Fund name	Purpose of restriction
LCC Inner area south (publicity)	Towards cards, posters, signs and PAT testing equipment
LCC Inner area south (move)	Towards the cost of moving premises
LCC ASC (delivery team)	Annual grant for the costs of the deliver van team
LCC ASC (vehicle costs)	Initial capital grant for the purchase of the van and start up costs
LCC ASC (evaluation)	Towards the cost of external evaluation of the company's procedures
LCC Councillors' grant	For publicity - posters, cards and phone book advertising

4 Tangible assets

	Vehicles £	Total £
Cost		
At 1 January 2011	20,673	20,673
Additions / (disposals)	-	-
At 31 December 2011	<u>20,673</u>	<u>20,673</u>
Depreciation		
At 1 January 2011	5,169	5,169
Charge for year	5,168	5,168
At 31 December 2011	<u>10,337</u>	<u>10,337</u>
Net book value		
At 31 December 2011	<u>10,336</u>	<u>10,336</u>
At 31 December 2010	<u>15,504</u>	<u>15,504</u>

South Leeds Alternative Trading Enterprise Limited

Notes to the accounts continued

for the year ended 31 December 2011

5 Debtors and prepayments	2011	2010
	£	£
Debtors	5,494	235
Prepayments	2,116	848
	<u>7,610</u>	<u>1,083</u>
 6 Cash at bank and in hand	 2011	 2010
	£	£
Cash at bank	1	25,344
Petty cash	79	48
Cash float	50	50
	<u>130</u>	<u>25,442</u>
 7 Creditors and accruals amounts falling due within one year	 2011	 2010
	£	£
Bank overdraft	1,193	-
Creditors	6,900	254
Accruals	7,976	420
Deferred income		
LCC Business Support Centre grant	5,168	10,336
Capital Revenue	-	12,008
LCC Inner Area Committee (South)	-	1,398
Loans	1,000	-
	<u>22,237</u>	<u>24,416</u>
 8 Creditors and accruals amounts falling due after one year	 2011	 2010
	£	£
Deferred income	5,168	5,169
LCC Business Support Centre capital grant	16,667	-
Loans	<u>21,835</u>	<u>5,169</u>

Note the capital element of the LCC grant has been expended and the balance deferred will be released to the income and expenditure account over the life of the asset that the grant was used to purchase

9 Directors' expenses

No director received any expenses during the year (2010, nil)