

Twenty-ninth Annual Report 2020/2021



MiCHAEL HOUSE

Michaels Limited
Registered Charity No. 1058938
Limited by Guarantee Reg. No. 3271465

Michaels Limited Mission Statement

To provide emergency and longer-term accommodation to Homeless people and provide related day services.

To provide encouragement, advice and support to our clients in an environment which enables them to gain a greater sense of self-worth, and to move towards a more independent life.

To work in a co-operative and a collaborative way with the relevant Statutory Agencies, and with other voluntary organisations.

MiCHAELS LIMITED

The Chairman and Directors of Michaels Limited
invite you to attend the Twenty Ninth Annual General Meeting
To be held at via Zoom video call at 5:30pm on Wednesday 27th October 2021

AGENDA

1. Apologies
2. Minutes of AGM 28th October 2020 (below)
3. Matters arising therefrom.
4. Chairman's report
5. Adoption of Annual Report and Financial Statements.
6. Re-appointing of auditors for 2021/2022
7. Chief Executive's Review of the Year.
8. Re-appointment of Directors: Directors retiring by rotation, Martin Slade and Jane Kelly
11. Any other business of which notice has been given.

Tel. 01202 393178 or Email: info@michaelhouse.co.uk

Minutes of AGM of Michaels Ltd held Online via Zoom Portal

On 28TH October 2020 at 5.30pm

Present: Martin Slade (Chair), Directors, Staff and Friends of Michael House (14 in total)

Apologies: Board Member MR

Minutes of AGM 2019: Distributed, agreed and signed.

Matters Arising: Nil

Annual Report and Financial Statements: Read by John Malins, discussed and adopted.

Chief Executive's Review of the Year: Mark Horsford presents his annual report.

Reappointment of Director's: Rosemarie Veale and Blair Crawford re-elected to serve for a further three years.

Retirement of Director: Richard Stamp has retired

Appointment of Director: Carlie Palmer put forward by Martin Slade.

Chairman's Review of the Year: Martin Slade presents his review of the last year.

Appointment of Auditors: Carter & Coley were reappointed as Auditors for 2020/2021.

There being no further business the meeting closed at 6.10pm



Board of Directors

Martin Slade – Chairman

John Coulston – Lifetime President

John Malins – Financial Director

Rosemarie Veale – Secretary

Mary Randell, MBE

Malcom Clarke

Cllr Jane Kelly

Nick Beal

Helen Hender BA

Blair Crawford

James Radcliffe

Carlie Palmer

Staff Team

Mark Horsford – Chief Executive

Chris Murphy – Senior Project Coordinator (Support and Wellbeing)

Jolene Matthews – Senior Project Coordinator (Housing and Financial Inclusion)

Reason Ndlovu – Support Worker

Denis Daly – Night Worker

Martin McMillan – Night Worker

Vasco De Oliveira – Support and Inclusion Worker

Shelley Mitchell – Activities Coordinator

Nikita Vass – Support Worker

Jeanette Ware – Support Worker



Chairman's Report

Welcome and thank you for attending this 29th Annual General Meeting of Michael House Limited. We all thought last year was a one off exceptionally difficult year for the world and Michael House in particular and that the next 12 months would be a little less challenging; but we were wrong, and the last 12 months have been every bit as challenging as the previous. But, once again MH have sailed through the storm and emerged stronger than ever. But there remains dark clouds on the horizon and we must always be conscious that we are only as strong as the Management and the generosity of our benefactors and Ambassadors.

To all of them, on behalf of the Board of Trustee's, I thank you for your unstinting efforts and generosity. As a result of generous grants and bequests, we were able to purchase another flat in Southbourne which will become the home for 1 of our long-term residents who can now be totally independent. Mark has been able to develop and grow the bike project which is now both a social enterprise and a further learning and training facility for residents.

The accounts show that we are in a good financial position, but we must be ever mindful that we need to balance the books each and every year and this means good team management, steered by our financial guru, John Malins. We are gifted by having such dedicated and efficient staff headed by Mark Horsford, who is never far from an idea or initiative that will promote us in the eye of the public or obtain some additional funding through a social fund or group. To this we add the Trustee's with their wealth of talents and connections, and we have a Team that work well together and hopefully will continue to move forward and grow stronger each year.

Next year sees us mark the 30th anniversary of Michael's, the forerunner to Michael House. I'm sure that when John Coulson, Rosemary Veale and others started working with the hungry and homeless, from St Michaels Church on Poole Hill in 1992, that they could not envisage how their efforts and commitment at that time would look today. That's probably no surprise because they were focused hard working from day to day, with little time to think about the weeks and months ahead, with no funding and few resources, other than dedication and the love for what they were doing.

We marked our 25th celebration with a number of fund-raising events, some more daring than others. There are some plans already in place but if anyone has an idea how we can promote our work and raise funds for our Projects, please do share them with us. So, once again, on behalf of my fellow Trustee's I thank everyone who has supported us over the last 12 months and wish you a safe 2022.

Martin Slade
Chairman



Michaels Limited: Financial Overview 2020/21

Key Events

In a difficult year because of Covid-19, we still managed to finish the year with a bank balance of £239k, up £63k in the year. This put us in a position to start looking at another flat purchase, which we finally achieved in September when we bought a flat in Seabourne Road, Southbourne.

We received a generous grant of £20k from the Garfield Weston Foundation, which was put towards the cost of extending the ground lease at the Jubilee House flat.

We took part again in the Big Give Christmas Challenge, which raised another £24k, and we also received a generous donation of £10k on the last day of the financial year.

Income from housing benefit and rent was adversely affected by our not being able to accommodate 7 residents in double rooms, due to Covid-19. This left a hole of £35k compared with where we expected to have been, which was filled in part by the receipt of £13k of coronavirus grants as mentioned at last year's AGM. I can report that the BCP Council benefits office agreed to our request to increase the housing benefit payment per resident with effect from 1st April 2021 to take account of the 7 empty beds.

Conscious of the shortfall in Income from housing benefit and rent, day to day expenditure was carefully managed and finished the year £2k less than in 2019/20.

Summary

Michaels is still in a strong financial position to continue, and expand on, the good work it is doing, despite the coronavirus impact, but as ever we need to ensure that day to day running costs are covered by day to day income.

John Malins
Financial Director



Michaels Limited

Financial Highlights 2020/2021

| <u>Income</u> | <u>Year ended 31.3.21</u> | <u>Year ended 31.3.20</u> |
|--------------------|-------------------------------|-------------------------------|
| INCOME | | |
| Grants | 33,000 | 82,000 |
| Donations | 66,783 | 86,260 |
| Legacy | 7,953 | 23 |
| Investment Income | 1,300 | 847 |
| Housing Benefit | 200,089 | 217,675 |
| Rents | 71,550 | 61,459 |
| Other Income | 1,823 | 630 |
| Total | 382,498 | 448,894 |
| | | |
| EXPENDITURE | | |
| Staffing Costs | 214,834 | 205,919 |
| Food | 21,268 | 26,804 |
| Rent | 3,997 | 3,853 |
| Rates & Water | 8,380 | 8,627 |
| Heat & Light | 16,276 | 16,745 |
| Insurance | 5,881 | 6,068 |
| Repairs & Renewals | 26,719 | 24,374 |
| Motor & Travel | 4,073 | 5,531 |
| Administration | 10,342 | 12,189 |
| Sundries | 11,296 | 14,640 |
| Depreciation | 8,691 | 9,094 |
| Total | 331,757 | 333,844 |
| | | |
| SURPLUS | 50,741 | 115,050 |

Michaels finances are operated on a prudent basis with very low administration costs. Reserve provision (currently £100,000) is made to meet contingencies inherent in operating a voluntary charity of this kind.

Full accounts are available on request from Michael House, 46 Grosvenor Gardens, Bournemouth, BH1 4HH, or by phoning 01202 393178, or can be accessed online.



Chief Executive Review of the Year

Between April 2020 and the end of March 2021, Michael House provided support and accommodation to 46 residents, including two rough sleepers with a pet. 46% of individuals successfully moved into independent accommodation or returned to live with family members or friends, with 6% of residents who either abandoned or left the service with a negative outcome. 47% of individuals are still residing at either Michael House, Drummond Wolff House or at our 2 bed move-on flat in Charminster.

The end of 2020 was a difficult year for many, with people left unsure of which direction to start moving forward again and along with another lockdown, we found that this time had a direct impact on our resident's motivation and wellbeing. However, Christmas went ahead at Michael House, with residents from all our services able to mix (in accordance with Government guidelines). The main festive feast was kindly funded by Horizon Honda, Christchurch with lots of amazing donations from the community. The food was prepared by Michaels Trustee Rosemarie and staff. Our Charity Ambassador, Shella Hagan, with the support of her team of friends provided large gift bags stuffed full of wrapped gifts and for the first time in a long time, we regained a sense of family and unity.

With Spring upon us and Lockdown restrictions easing, it was wonderful to be able to dust down the Michael House minibus and for Gary, our minibus volunteer, Shelley to restart our healthy walks in the New Forest. Chris also started a Bike Riding session to support our residents to mix safely in the fresh air. After securing funding from JP Morgan and the Co-op, we were also able to introduce a large pergola in the garden of House 46 and purchase bistro type tables and chairs to enable staff to facilitate group activities in ventilated areas.

Thanks to our lead volunteer Nikita and five resident volunteers, the On the Move community bike project has really started to build momentum. Four residents have undertaken an online Bicycle Maintenance course and we are currently developing a package of AQA Unit Awards to underpin their learning and achievements. The project has been holding regular community events hosted by Joy Café in Churchill Gardens, which has really helped us to raise awareness of the Charity and connect with the community. We hope to expand our free bike safety check to schools in 2022.

In 2021 we have noticed a considerable increase in engagement with 93% of our residents currently accessing paid employment, training, or voluntary work. We have also been able to develop positive partnerships with local businesses, such as Moose Kitchen in Bournemouth, where a work experience opportunity for one of our residents has led to a successful employment offer!

There has also been a few changes within the Michael House staff team with Maria moving on to pastures new, which created an opportunity to recruit two new part-time support workers, Nikita and Jeanette, who are both settling in well within the team.

I would like to take this opportunity to thank the whole team for their hard work and support. We've overcome many challenges within the last year and I feel very blessed to be working with such an amazing group of people. Thank you.

On behalf of the residents, volunteers, staff and trustees, we would like to thank each and every one of our Friends and Charity Ambassadors for continuing to support Michael House and the work that we do. The last 18 months have made it very difficult to fundraise in our usual ways, but your passion and continued dedication to support the work that we do is greatly appreciated and we couldn't do it without each of you.

I look forward to 2022 and to sharing not only a belated slice of Michael House birthday cake, but also we hope to be able to come together and celebrate 30 years of Michaels and the opening of our new move-on flat in Southbourne.

Mark Horsford
Chief Executive





From left to right: The new pergola, Collective Art, Shelley and KMC celebrating being published, Pop-up Bike Shop, Chocolate Bingo, The Michael House stall at Southcoast Makers Market, Mark and Carlie (trustee) with the Team from Moose Kitchen, Reason with an amazing donation from Christchurch Waitrose & Partners, Michael Turner Studios promoting his amazing Christmas Treasure Hunt in aid of Michael House.



MiCHAEL HOUSE

Supporting the homeless since 1992

www.micahelhouse.co.uk



REGISTERED COMPANY NUMBER: 03271465 (England and Wales)
REGISTERED CHARITY NUMBER: 1058938

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
MICHAELS LIMITED

Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

MICHAELS LIMITED

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MICHAELS LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

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 2021. 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the company is the relief of poverty particularly amongst homeless people in South East Dorset, and elsewhere in the United Kingdom, by the provision of temporary accommodation, food, clothing, advice and resettlement. It also provides facilities for recreation and other leisure time occupation for such persons with the object of improving their condition of life.

Significant activities

During the year we were adversely affected by the Coronavirus insofar as our hostel accommodation includes seven double rooms.

Due to social distancing requirements, we had no choice but to use these instead as single rooms, thereby reducing our expected rental income by in excess of £35,000.

We managed to offset the impact of this in the financial year by successfully applying for Covid-related grants amounting to £13,000, managing to exceed our target for donations, delaying non-essential property maintenance and having less mouths to feed.

FINANCIAL REVIEW

Reserves policy

The Charity seeks to retain sufficient reserves that allows it to continue to carry out its charitable activities for a period of four months.

FUTURE PLANS

In May 2021 we had an offer of £137,500 accepted for the purchase of another flat in response to the need identified for further third-tier move-on accommodation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

Organisational structure

A Committee of Management runs the company. It has close links with local councils, health providers and national charitable organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03271465 (England and Wales)

Registered Charity number

1058938

MICHAELS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Registered office

46 Grosvenor Gardens
Boscombe
Bournemouth
Dorset
BH1 4HH

Trustees

Mr J Coulston
Mrs R E Veale
Mr M Clarke
Mr J B Crawford
Mrs H C Hender
Mrs M E Randell
Mr R A Stamp (resigned 15/4/2020)
Mr N S Beal
Ms J Kelly
Mr M G Slade
Mr J C Malins
Mr J D Ratcliffe
Ms C D Palmer (appointed 16/9/2020)

Company Secretary

Mrs R E Veale

Independent Examiner

Anthony Cooke
Chartered Accountant
Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

Approved by order of the board of trustees on 14 July 2021 and signed on its behalf by:



Mr J C Malins - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MICHAELS LIMITED

Independent examiner's report to the trustees of Michaels Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MICHAELS LIMITED

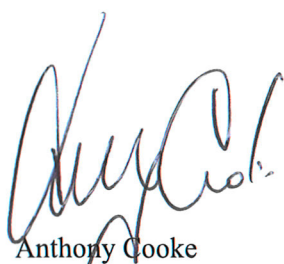
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Anthony Cooke
Chartered Accountant
Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

14 July 2021

MICHAELS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| | Notes | | | | |
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | | 76,559 | 33,000 | 109,559 | 168,913 |
| Other trading activities | 2 | 271,639 | - | 271,639 | 279,134 |
| Investment income | 3 | 1,300 | - | 1,300 | 847 |
| Total | | 349,498 | 33,000 | 382,498 | 448,894 |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Supporting people | | 318,757 | 13,000 | 331,757 | 333,844 |
| NET INCOME | | 30,741 | 20,000 | 50,741 | 115,050 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 782,136 | - | 782,136 | 667,086 |
| TOTAL FUNDS CARRIED FORWARD | | 812,877 | 20,000 | 832,877 | 782,136 |

The notes form part of these financial statements

MICHAELS LIMITED

BALANCE SHEET 31 MARCH 2021

| | Notes | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | 585,802 | - | 585,802 | 591,605 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 23,917 | - | 23,917 | 21,419 |
| Cash at bank and in hand | | 221,871 | 20,000 | 241,871 | 178,429 |
| | | <u>245,788</u> | <u>20,000</u> | <u>265,788</u> | <u>199,848</u> |
| CREDITORS | | | | | |
| Amounts falling due within one year | 11 | (18,713) | - | (18,713) | (9,317) |
| NET CURRENT ASSETS | | <u>227,075</u> | <u>20,000</u> | <u>247,075</u> | <u>190,531</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>812,877</u> | <u>20,000</u> | <u>832,877</u> | <u>782,136</u> |
| NET ASSETS | | <u>812,877</u> | <u>20,000</u> | <u>832,877</u> | <u>782,136</u> |
| FUNDS | 13 | | | | |
| Unrestricted funds | | | | 812,877 | 782,136 |
| Restricted funds | | | | 20,000 | - |
| TOTAL FUNDS | | | | <u>832,877</u> | <u>782,136</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

The notes form part of these financial statements

MICHAELS LIMITED

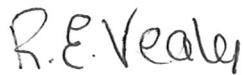
BALANCE SHEET - continued 31 MARCH 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 14 July 2021 and were signed on its behalf by:



Mr J C Malins - Trustee



Mrs R E Veale - Trustee

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|--|
| Freehold property | - 2% on cost |
| Short leasehold | - 20% on cost |
| Long leasehold | - in accordance with the term of the lease |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

| | 2021 | 2020 |
|-----------------|----------------|----------------|
| | £ | £ |
| Housing benefit | 200,089 | 217,675 |
| Rent | 71,550 | 61,459 |
| | <u>271,639</u> | <u>279,134</u> |

3. INVESTMENT INCOME

| | 2021 | 2020 |
|--------------------------|--------------|------------|
| | £ | £ |
| Deposit account interest | <u>1,300</u> | <u>847</u> |

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2021 | 2020 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Depreciation - owned assets | 8,691 | 9,095 |
| Hire of plant and machinery | 2,496 | 2,496 |
| Independent examiners fee | <u>1,524</u> | <u>1,448</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

| | 2021 | 2020 |
|----------------|-----------|-----------|
| Administration | 1 | 1 |
| Support | 9 | 9 |
| | <u>10</u> | <u>10</u> |

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 106,913 | 62,000 | 168,913 |
| Other trading activities | 279,134 | - | 279,134 |
| Investment income | 847 | - | 847 |
| Total | <u>386,894</u> | <u>62,000</u> | <u>448,894</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Supporting people | 333,844 | - | 333,844 |
| NET INCOME | <u>53,050</u> | <u>62,000</u> | <u>115,050</u> |
| Transfers between funds | <u>62,000</u> | <u>(62,000)</u> | <u>-</u> |
| Net movement in funds | <u>115,050</u> | <u>-</u> | <u>115,050</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 667,086 | - | 667,086 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS CARRIED FORWARD | 782,136 | - | 782,136 |
| | <hr/> | <hr/> | <hr/> |

8. INTANGIBLE FIXED ASSETS

| | |
|-----------------------------------|---------------|
| | Goodwill £ |
| COST | |
| At 1 April 2020 and 31 March 2021 | 15,000 |
| | <hr/> |
| AMORTISATION | |
| At 1 April 2020 and 31 March 2021 | 15,000 |
| | <hr/> |
| NET BOOK VALUE | |
| At 31 March 2021 | - |
| | <hr/> |
| At 31 March 2020 | - |
| | <hr/> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS

| | Freehold property £ | Short leasehold £ | Long leasehold £ |
|------------------------|----------------------------------|-------------------------|------------------------|
| COST | | | |
| At 1 April 2020 | 482,700 | 10,434 | 109,745 |
| Additions | 2,190 | - | - |
| Disposals | - | (10,434) | - |
| At 31 March 2021 | 484,890 | - | 109,745 |
| DEPRECIATION | | | |
| At 1 April 2020 | 8,590 | 10,434 | 2,240 |
| Charge for year | 4,339 | - | 2,240 |
| Eliminated on disposal | - | (10,434) | - |
| At 31 March 2021 | 12,929 | - | 4,480 |
| NET BOOK VALUE | | | |
| At 31 March 2021 | 471,961 | - | 105,265 |
| At 31 March 2020 | 474,110 | - | 107,505 |
| | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
| COST | | | |
| At 1 April 2020 | 18,087 | 20,760 | 641,726 |
| Additions | 698 | - | 2,888 |
| Disposals | - | - | (10,434) |
| At 31 March 2021 | 18,785 | 20,760 | 634,180 |
| DEPRECIATION | | | |
| At 1 April 2020 | 13,175 | 15,682 | 50,121 |
| Charge for year | 842 | 1,270 | 8,691 |
| Eliminated on disposal | - | - | (10,434) |
| At 31 March 2021 | 14,017 | 16,952 | 48,378 |
| NET BOOK VALUE | | | |
| At 31 March 2021 | 4,768 | 3,808 | 585,802 |
| At 31 March 2020 | 4,912 | 5,078 | 591,605 |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS - continued

A grant of £118,795 was received from the National Lottery Charities Board in 1998 to fund the purchase of additional charitable accommodation. The total cost of the freehold property before deduction of grants is £148,544.

In the opinion of the trustees the fair value of the charity's property is in excess of £1,000,000.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Prepayments and accrued income | <u>23,917</u> | <u>21,419</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|---------------------------------|---------------|--------------|
| | £ | £ |
| Trade creditors | 1,436 | 1,348 |
| Social security and other taxes | 3,214 | 3,420 |
| Pension control account | 700 | 710 |
| Accruals and deferred income | <u>13,363</u> | <u>3,839</u> |
| | <u>18,713</u> | <u>9,317</u> |

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2021 | 2020 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Within one year | 2,496 | 2,496 |
| Between one and five years | <u>4,368</u> | <u>6,864</u> |
| | <u>6,864</u> | <u>9,360</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS

| | At 1/4/20 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/21 £ |
|----------------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 702,297 | 41,944 | 1,500 | 745,741 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | 17,839 | (10,703) | - | 7,136 |
| Seedbed | 1,500 | - | (1,500) | - |
| Hilary Williams Charitable Trust | 500 | (500) | - | - |
| | <u>782,136</u> | <u>30,741</u> | <u>-</u> | <u>812,877</u> |
| Restricted funds | | | | |
| Garfield Weston | - | 20,000 | - | 20,000 |
| | <u>-</u> | <u>20,000</u> | <u>-</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>782,136</u> | <u>50,741</u> | <u>-</u> | <u>832,877</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 349,498 | (307,554) | 41,944 |
| Bike Project | - | (10,703) | (10,703) |
| Hilary Williams Charitable Trust | - | (500) | (500) |
| | <u>349,498</u> | <u>(318,757)</u> | <u>30,741</u> |
| Restricted funds | | | |
| COVID-19 assistance | 4,500 | (4,500) | - |
| National Lottery Community Fund | 8,500 | (8,500) | - |
| Garfield Weston | 20,000 | - | 20,000 |
| | <u>33,000</u> | <u>(13,000)</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>382,498</u> | <u>(331,757)</u> | <u>50,741</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1/4/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/20 £ |
|----------------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 607,086 | 21,304 | 73,907 | 702,297 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | - | 17,839 | - | 17,839 |
| Seedbed | - | 13,407 | (11,907) | 1,500 |
| Hilary Williams Charitable Trust | - | 500 | - | 500 |
| | <u>667,086</u> | <u>53,050</u> | <u>62,000</u> | <u>782,136</u> |
| Restricted funds | | | | |
| House Swap | - | 60,000 | (60,000) | - |
| Flat refurbishment | - | 2,000 | (2,000) | - |
| | <u>-</u> | <u>62,000</u> | <u>(62,000)</u> | <u>-</u> |
| TOTAL FUNDS | <u>667,086</u> | <u>115,050</u> | <u>-</u> | <u>782,136</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 352,987 | (331,683) | 21,304 |
| Bike Project | 20,000 | (2,161) | 17,839 |
| Seedbed | 13,407 | - | 13,407 |
| Hilary Williams Charitable Trust | 500 | - | 500 |
| | <u>386,894</u> | <u>(333,844)</u> | <u>53,050</u> |
| Restricted funds | | | |
| House Swap | 60,000 | - | 60,000 |
| Flat refurbishment | 2,000 | - | 2,000 |
| | <u>62,000</u> | <u>-</u> | <u>62,000</u> |
| TOTAL FUNDS | <u>448,894</u> | <u>(333,844)</u> | <u>115,050</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1/4/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/21 £ |
|---------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 607,086 | 63,248 | 75,407 | 745,741 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | - | 7,136 | - | 7,136 |
| Seedbed | - | 13,407 | (13,407) | - |
| | <u>667,086</u> | <u>83,791</u> | <u>62,000</u> | <u>812,877</u> |
| Restricted funds | | | | |
| House Swap | - | 60,000 | (60,000) | - |
| Flat refurbishment | - | 2,000 | (2,000) | - |
| Garfield Weston | - | 20,000 | - | 20,000 |
| | <u>-</u> | <u>82,000</u> | <u>(62,000)</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>667,086</u> | <u>165,791</u> | <u>-</u> | <u>832,877</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 702,485 | (639,237) | 63,248 |
| Bike Project | 20,000 | (12,864) | 7,136 |
| Seedbed | 13,407 | - | 13,407 |
| Hilary Williams Charitable Trust | 500 | (500) | - |
| | <u>736,392</u> | <u>(652,601)</u> | <u>83,791</u> |
| Restricted funds | | | |
| House Swap | 60,000 | - | 60,000 |
| Flat refurbishment | 2,000 | - | 2,000 |
| COVID-19 assistance | 4,500 | (4,500) | - |
| National Lottery Community Fund | 8,500 | (8,500) | - |
| Garfield Weston | 20,000 | - | 20,000 |
| | <u>95,000</u> | <u>(13,000)</u> | <u>82,000</u> |
| TOTAL FUNDS | <u><u>831,392</u></u> | <u><u>(665,601)</u></u> | <u><u>165,791</u></u> |

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

15. COMPANY LIMITED BY GUARANTEE

In the event of the company being wound up, its members at the time together with those who ceased to be members within a year of the winding up, are required to contribute an amount not exceeding £10 per member towards any liabilities of the company.

MICHAELS LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|---------------------------------|----------------|----------------|
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Donations | 60,493 | 79,692 |
| Gift aid | 6,290 | 6,568 |
| Legacies | 7,953 | 23 |
| Grants | 33,000 | 82,000 |
| Sundry receipts | 1,823 | 630 |
| | 109,559 | 168,913 |
| Other trading activities | | |
| Housing benefit | 200,089 | 217,675 |
| Rent | 71,550 | 61,459 |
| | 271,639 | 279,134 |
| Investment income | | |
| Deposit account interest | 1,300 | 847 |
| Total incoming resources | 382,498 | 448,894 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 185,796 | 177,723 |
| Social security | 10,498 | 10,456 |
| Pensions | 3,511 | 3,491 |
| Hire of plant and machinery | 2,496 | 2,496 |
| Rates and water | 8,380 | 8,627 |
| Insurance | 5,881 | 6,068 |
| Light and heat | 16,276 | 16,745 |
| Telephone | 458 | 366 |
| Office costs | 496 | 734 |
| Sundries | 4,112 | 6,662 |
| Food | 21,268 | 26,804 |
| Rent | 3,997 | 3,853 |
| Garage rent | 635 | - |
| Residents activities | 1,950 | - |
| Carried forward | 265,754 | 264,025 |

This page does not form part of the statutory financial statements

MICHAELS LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|---------------------------------------|--------------------|---------------------|
| Charitable activities | | |
| Brought forward | 265,754 | 264,025 |
| Repairs and maintenance | 21,391 | 18,993 |
| Motor and travel | 3,666 | 4,978 |
| Cleaning | 2,832 | 2,885 |
| Training | 186 | 1,859 |
| Bike project | 2,448 | 2,161 |
| Jubilee House | 1,060 | 863 |
| | <hr/> 297,337 | <hr/> 295,764 |
| Support costs | | |
| Other | | |
| Wages | 13,101 | 12,595 |
| Social security | 1,404 | 1,341 |
| Pensions | 524 | 313 |
| Bank charges | 87 | 60 |
| Professional fees | 4,914 | 6,282 |
| Accountancy | 1,524 | 1,448 |
| Motor and travel | 407 | 553 |
| Office expenses | 2,863 | 3,299 |
| Sundry | 905 | 3,095 |
| Depreciation of tangible fixed assets | 8,691 | 9,094 |
| | <hr/> 34,420 | <hr/> 38,080 |
| Total resources expended | <hr/> 331,757 | <hr/> 333,844 |
| Net income | <hr/> <hr/> 50,741 | <hr/> <hr/> 115,050 |

This page does not form part of the statutory financial statements

REGISTERED COMPANY NUMBER: 03271465 (England and Wales)
REGISTERED CHARITY NUMBER: 1058938

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
MICHAELS LIMITED

Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

MICHAELS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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|---|-------------|
| Report of the Trustees | 1 to 2 |
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| Statement of Financial Activities | 5 |
| Balance Sheet | 6 to 7 |
| Notes to the Financial Statements | 8 to 17 |
| Detailed Statement of Financial Activities | 18 to 19 |

MICHAELS LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

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 2021. 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the company is the relief of poverty particularly amongst homeless people in South East Dorset, and elsewhere in the United Kingdom, by the provision of temporary accommodation, food, clothing, advice and resettlement. It also provides facilities for recreation and other leisure time occupation for such persons with the object of improving their condition of life.

Significant activities

During the year we were adversely affected by the Coronavirus insofar as our hostel accommodation includes seven double rooms.

Due to social distancing requirements, we had no choice but to use these instead as single rooms, thereby reducing our expected rental income by in excess of £35,000.

We managed to offset the impact of this in the financial year by successfully applying for Covid-related grants amounting to £13,000, managing to exceed our target for donations, delaying non-essential property maintenance and having less mouths to feed.

FINANCIAL REVIEW

Reserves policy

The Charity seeks to retain sufficient reserves that allows it to continue to carry out its charitable activities for a period of four months.

FUTURE PLANS

In May 2021 we had an offer of £137,500 accepted for the purchase of another flat in response to the need identified for further third-tier move-on accommodation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

Organisational structure

A Committee of Management runs the company. It has close links with local councils, health providers and national charitable organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03271465 (England and Wales)

Registered Charity number

1058938

MICHAELS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Registered office

46 Grosvenor Gardens
Boscombe
Bournemouth
Dorset
BH1 4HH

Trustees

Mr J Coulston
Mrs R E Veale
Mr M Clarke
Mr J B Crawford
Mrs H C Hender
Mrs M E Randell
Mr R A Stamp (resigned 15/4/2020)
Mr N S Beal
Ms J Kelly
Mr M G Slade
Mr J C Malins
Mr J D Ratcliffe
Ms C D Palmer (appointed 16/9/2020)

Company Secretary

Mrs R E Veale

Independent Examiner

Anthony Cooke
Chartered Accountant
Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

Approved by order of the board of trustees on 14 July 2021 and signed on its behalf by:



Mr J C Malins - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MICHAELS LIMITED

Independent examiner's report to the trustees of Michaels Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MICHAELS LIMITED

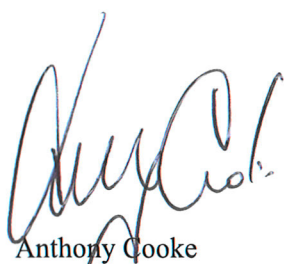
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Anthony Cooke
Chartered Accountant
Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

14 July 2021

MICHAELS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| | Notes | | | | |
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | | 76,559 | 33,000 | 109,559 | 168,913 |
| Other trading activities | 2 | 271,639 | - | 271,639 | 279,134 |
| Investment income | 3 | 1,300 | - | 1,300 | 847 |
| Total | | 349,498 | 33,000 | 382,498 | 448,894 |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Supporting people | | 318,757 | 13,000 | 331,757 | 333,844 |
| NET INCOME | | 30,741 | 20,000 | 50,741 | 115,050 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 782,136 | - | 782,136 | 667,086 |
| TOTAL FUNDS CARRIED FORWARD | | 812,877 | 20,000 | 832,877 | 782,136 |

The notes form part of these financial statements

MICHAELS LIMITED

BALANCE SHEET 31 MARCH 2021

| | Notes | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | 585,802 | - | 585,802 | 591,605 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 23,917 | - | 23,917 | 21,419 |
| Cash at bank and in hand | | 221,871 | 20,000 | 241,871 | 178,429 |
| | | <u>245,788</u> | <u>20,000</u> | <u>265,788</u> | <u>199,848</u> |
| CREDITORS | | | | | |
| Amounts falling due within one year | 11 | (18,713) | - | (18,713) | (9,317) |
| NET CURRENT ASSETS | | <u>227,075</u> | <u>20,000</u> | <u>247,075</u> | <u>190,531</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>812,877</u> | <u>20,000</u> | <u>832,877</u> | <u>782,136</u> |
| NET ASSETS | | <u>812,877</u> | <u>20,000</u> | <u>832,877</u> | <u>782,136</u> |
| FUNDS | 13 | | | | |
| Unrestricted funds | | | | 812,877 | 782,136 |
| Restricted funds | | | | 20,000 | - |
| TOTAL FUNDS | | | | <u>832,877</u> | <u>782,136</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

The notes form part of these financial statements

MICHAELS LIMITED

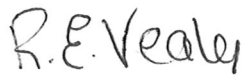
BALANCE SHEET - continued 31 MARCH 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 14 July 2021 and were signed on its behalf by:



Mr J C Malins - Trustee



Mrs R E Veale - Trustee

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|--|
| Freehold property | - 2% on cost |
| Short leasehold | - 20% on cost |
| Long leasehold | - in accordance with the term of the lease |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

| | 2021 | 2020 |
|-----------------|----------------|----------------|
| | £ | £ |
| Housing benefit | 200,089 | 217,675 |
| Rent | 71,550 | 61,459 |
| | <u>271,639</u> | <u>279,134</u> |

3. INVESTMENT INCOME

| | 2021 | 2020 |
|--------------------------|--------------|------------|
| | £ | £ |
| Deposit account interest | <u>1,300</u> | <u>847</u> |

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2021 | 2020 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Depreciation - owned assets | 8,691 | 9,095 |
| Hire of plant and machinery | 2,496 | 2,496 |
| Independent examiners fee | <u>1,524</u> | <u>1,448</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

| | 2021 | 2020 |
|----------------|-----------|-----------|
| Administration | 1 | 1 |
| Support | 9 | 9 |
| | <u>10</u> | <u>10</u> |

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 106,913 | 62,000 | 168,913 |
| Other trading activities | 279,134 | - | 279,134 |
| Investment income | 847 | - | 847 |
| Total | <u>386,894</u> | <u>62,000</u> | <u>448,894</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Supporting people | 333,844 | - | 333,844 |
| NET INCOME | <u>53,050</u> | <u>62,000</u> | <u>115,050</u> |
| Transfers between funds | <u>62,000</u> | <u>(62,000)</u> | <u>-</u> |
| Net movement in funds | 115,050 | - | 115,050 |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 667,086 | - | 667,086 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS CARRIED FORWARD | 782,136 | - | 782,136 |
| | <hr/> | <hr/> | <hr/> |

8. INTANGIBLE FIXED ASSETS

| | |
|-----------------------------------|---------------|
| | Goodwill £ |
| COST | |
| At 1 April 2020 and 31 March 2021 | 15,000 |
| | <hr/> |
| AMORTISATION | |
| At 1 April 2020 and 31 March 2021 | 15,000 |
| | <hr/> |
| NET BOOK VALUE | |
| At 31 March 2021 | - |
| | <hr/> |
| At 31 March 2020 | - |
| | <hr/> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS

| | Freehold property £ | Short leasehold £ | Long leasehold £ |
|------------------------|----------------------------------|-------------------------|------------------------|
| COST | | | |
| At 1 April 2020 | 482,700 | 10,434 | 109,745 |
| Additions | 2,190 | - | - |
| Disposals | - | (10,434) | - |
| At 31 March 2021 | 484,890 | - | 109,745 |
| DEPRECIATION | | | |
| At 1 April 2020 | 8,590 | 10,434 | 2,240 |
| Charge for year | 4,339 | - | 2,240 |
| Eliminated on disposal | - | (10,434) | - |
| At 31 March 2021 | 12,929 | - | 4,480 |
| NET BOOK VALUE | | | |
| At 31 March 2021 | 471,961 | - | 105,265 |
| At 31 March 2020 | 474,110 | - | 107,505 |
| | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
| COST | | | |
| At 1 April 2020 | 18,087 | 20,760 | 641,726 |
| Additions | 698 | - | 2,888 |
| Disposals | - | - | (10,434) |
| At 31 March 2021 | 18,785 | 20,760 | 634,180 |
| DEPRECIATION | | | |
| At 1 April 2020 | 13,175 | 15,682 | 50,121 |
| Charge for year | 842 | 1,270 | 8,691 |
| Eliminated on disposal | - | - | (10,434) |
| At 31 March 2021 | 14,017 | 16,952 | 48,378 |
| NET BOOK VALUE | | | |
| At 31 March 2021 | 4,768 | 3,808 | 585,802 |
| At 31 March 2020 | 4,912 | 5,078 | 591,605 |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. TANGIBLE FIXED ASSETS - continued

A grant of £118,795 was received from the National Lottery Charities Board in 1998 to fund the purchase of additional charitable accommodation. The total cost of the freehold property before deduction of grants is £148,544.

In the opinion of the trustees the fair value of the charity's property is in excess of £1,000,000.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Prepayments and accrued income | <u>23,917</u> | <u>21,419</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|---------------------------------|---------------|--------------|
| | £ | £ |
| Trade creditors | 1,436 | 1,348 |
| Social security and other taxes | 3,214 | 3,420 |
| Pension control account | 700 | 710 |
| Accruals and deferred income | <u>13,363</u> | <u>3,839</u> |
| | <u>18,713</u> | <u>9,317</u> |

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2021 | 2020 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Within one year | 2,496 | 2,496 |
| Between one and five years | <u>4,368</u> | <u>6,864</u> |
| | <u>6,864</u> | <u>9,360</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS

| | At 1/4/20 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/21 £ |
|----------------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 702,297 | 41,944 | 1,500 | 745,741 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | 17,839 | (10,703) | - | 7,136 |
| Seedbed | 1,500 | - | (1,500) | - |
| Hilary Williams Charitable Trust | 500 | (500) | - | - |
| | <u>782,136</u> | <u>30,741</u> | <u>-</u> | <u>812,877</u> |
| Restricted funds | | | | |
| Garfield Weston | - | 20,000 | - | 20,000 |
| | <u>-</u> | <u>20,000</u> | <u>-</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>782,136</u> | <u>50,741</u> | <u>-</u> | <u>832,877</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 349,498 | (307,554) | 41,944 |
| Bike Project | - | (10,703) | (10,703) |
| Hilary Williams Charitable Trust | - | (500) | (500) |
| | <u>349,498</u> | <u>(318,757)</u> | <u>30,741</u> |
| Restricted funds | | | |
| COVID-19 assistance | 4,500 | (4,500) | - |
| National Lottery Community Fund | 8,500 | (8,500) | - |
| Garfield Weston | 20,000 | - | 20,000 |
| | <u>33,000</u> | <u>(13,000)</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>382,498</u> | <u>(331,757)</u> | <u>50,741</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1/4/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/20 £ |
|----------------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 607,086 | 21,304 | 73,907 | 702,297 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | - | 17,839 | - | 17,839 |
| Seedbed | - | 13,407 | (11,907) | 1,500 |
| Hilary Williams Charitable Trust | - | 500 | - | 500 |
| | <u>667,086</u> | <u>53,050</u> | <u>62,000</u> | <u>782,136</u> |
| Restricted funds | | | | |
| House Swap | - | 60,000 | (60,000) | - |
| Flat refurbishment | - | 2,000 | (2,000) | - |
| | <u>-</u> | <u>62,000</u> | <u>(62,000)</u> | <u>-</u> |
| TOTAL FUNDS | <u>667,086</u> | <u>115,050</u> | <u>-</u> | <u>782,136</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 352,987 | (331,683) | 21,304 |
| Bike Project | 20,000 | (2,161) | 17,839 |
| Seedbed | 13,407 | - | 13,407 |
| Hilary Williams Charitable Trust | 500 | - | 500 |
| | <u>386,894</u> | <u>(333,844)</u> | <u>53,050</u> |
| Restricted funds | | | |
| House Swap | 60,000 | - | 60,000 |
| Flat refurbishment | 2,000 | - | 2,000 |
| | <u>62,000</u> | <u>-</u> | <u>62,000</u> |
| TOTAL FUNDS | <u>448,894</u> | <u>(333,844)</u> | <u>115,050</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1/4/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/21 £ |
|---------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 607,086 | 63,248 | 75,407 | 745,741 |
| Short term projects | 10,000 | - | - | 10,000 |
| Running costs fund | 50,000 | - | - | 50,000 |
| Bike Project | - | 7,136 | - | 7,136 |
| Seedbed | - | 13,407 | (13,407) | - |
| | <u>667,086</u> | <u>83,791</u> | <u>62,000</u> | <u>812,877</u> |
| Restricted funds | | | | |
| House Swap | - | 60,000 | (60,000) | - |
| Flat refurbishment | - | 2,000 | (2,000) | - |
| Garfield Weston | - | 20,000 | - | 20,000 |
| | <u>-</u> | <u>82,000</u> | <u>(62,000)</u> | <u>20,000</u> |
| TOTAL FUNDS | <u>667,086</u> | <u>165,791</u> | <u>-</u> | <u>832,877</u> |

MICHAELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 702,485 | (639,237) | 63,248 |
| Bike Project | 20,000 | (12,864) | 7,136 |
| Seedbed | 13,407 | - | 13,407 |
| Hilary Williams Charitable Trust | 500 | (500) | - |
| | <u>736,392</u> | <u>(652,601)</u> | <u>83,791</u> |
| Restricted funds | | | |
| House Swap | 60,000 | - | 60,000 |
| Flat refurbishment | 2,000 | - | 2,000 |
| COVID-19 assistance | 4,500 | (4,500) | - |
| National Lottery Community Fund | 8,500 | (8,500) | - |
| Garfield Weston | 20,000 | - | 20,000 |
| | <u>95,000</u> | <u>(13,000)</u> | <u>82,000</u> |
| TOTAL FUNDS | <u><u>831,392</u></u> | <u><u>(665,601)</u></u> | <u><u>165,791</u></u> |

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

15. COMPANY LIMITED BY GUARANTEE

In the event of the company being wound up, its members at the time together with those who ceased to be members within a year of the winding up, are required to contribute an amount not exceeding £10 per member towards any liabilities of the company.

MICHAELS LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|---------------------------------|----------------|----------------|
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Donations | 60,493 | 79,692 |
| Gift aid | 6,290 | 6,568 |
| Legacies | 7,953 | 23 |
| Grants | 33,000 | 82,000 |
| Sundry receipts | 1,823 | 630 |
| | 109,559 | 168,913 |
| Other trading activities | | |
| Housing benefit | 200,089 | 217,675 |
| Rent | 71,550 | 61,459 |
| | 271,639 | 279,134 |
| Investment income | | |
| Deposit account interest | 1,300 | 847 |
| Total incoming resources | 382,498 | 448,894 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 185,796 | 177,723 |
| Social security | 10,498 | 10,456 |
| Pensions | 3,511 | 3,491 |
| Hire of plant and machinery | 2,496 | 2,496 |
| Rates and water | 8,380 | 8,627 |
| Insurance | 5,881 | 6,068 |
| Light and heat | 16,276 | 16,745 |
| Telephone | 458 | 366 |
| Office costs | 496 | 734 |
| Sundries | 4,112 | 6,662 |
| Food | 21,268 | 26,804 |
| Rent | 3,997 | 3,853 |
| Garage rent | 635 | - |
| Residents activities | 1,950 | - |
| Carried forward | 265,754 | 264,025 |

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MICHAELS LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|---------------------------------------|--------------------|---------------------|
| Charitable activities | | |
| Brought forward | 265,754 | 264,025 |
| Repairs and maintenance | 21,391 | 18,993 |
| Motor and travel | 3,666 | 4,978 |
| Cleaning | 2,832 | 2,885 |
| Training | 186 | 1,859 |
| Bike project | 2,448 | 2,161 |
| Jubilee House | 1,060 | 863 |
| | <hr/> 297,337 | <hr/> 295,764 |
| Support costs | | |
| Other | | |
| Wages | 13,101 | 12,595 |
| Social security | 1,404 | 1,341 |
| Pensions | 524 | 313 |
| Bank charges | 87 | 60 |
| Professional fees | 4,914 | 6,282 |
| Accountancy | 1,524 | 1,448 |
| Motor and travel | 407 | 553 |
| Office expenses | 2,863 | 3,299 |
| Sundry | 905 | 3,095 |
| Depreciation of tangible fixed assets | 8,691 | 9,094 |
| | <hr/> 34,420 | <hr/> 38,080 |
| Total resources expended | <hr/> 331,757 | <hr/> 333,844 |
| Net income | <hr/> <hr/> 50,741 | <hr/> <hr/> 115,050 |

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