

Company registration number: 03527886

Charity registration number: 1069722

# Partnership for Growth

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 April 2022

Hodson and Co  
Wiston House  
1 Wiston Avenue  
Worthing  
West Sussex  
BN14 7QL

## **Partnership for Growth**

### **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Auditors' Report	6 to 9
Statement of Financial Activities	10 to 11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 to 26

## **Partnership for Growth**

### **Reference and Administrative Details**

<b>Trustees</b>	J Lelliott N Heward V John
<b>Charity Registration Number</b>	1069722
<b>Company Registration Number</b>	03527886
<b>Registered Office</b>	The charity is incorporated in England and Wales. Link House Ferring Street Ferring West Sussex BN12 5JR
<b>Auditor</b>	Hodson and Co Wiston House 1 Wiston Avenue Worthing West Sussex BN14 7QL
<b>Solicitors:</b>	George Ide LLP Lion House 79 St Pancras Chichester West Sussex PO19 7GE
<b>Bankers</b>	Barclays Bank Worthing 1 Chapel Road Worthing West Sussex BN11 1EX  National Westminster Bank Worthing 27 South Street Worthing West Sussex BN11 3AR

## **Partnership for Growth**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 April 2022.

#### **Objectives and activities**

##### ***Objects and aims***

The charity's object and principal activities are the relief of poverty, the advancement of education and the advancement of the Christian religion in any part of the world.

A key fundamental is the equipping of individuals in the beneficiary countries with materials, tools and skills to enable them to become self supporting. This is supplemented by some direct provision of Aid, and is achieved by activities which provide:-

Gifts of Aid;

Education for under privileged children and young adults;

Sanctuary and support for under privileged individuals;

Support of development of locally led charity work.

##### ***Objectives, strategies and activities***

At the end of April 2021 the charity maintained six charity shops in the Worthing locality. It receives donated goods which are sold in the local charity shops and funds distributed to Eastern Europe. The sixth shop in Portslade did not re-open when the other shops did after COVID, due to lack of staff and low sales. In September 2021 the charity launched online with an E-Bay shop. This combined with a grant from E-Bay of a free online shop and a government grant to cover an E-Commerce Assistant has made this a profitable venture and the charity aims for this to expand.

In June 2021 the Head Office team finally moved into the new Link to Hope home in Ferring after their lease at Park Road came to an end. All administration functions for the charity are carried out there including storage of furniture etc.

Project money is raised and administered in the UK, and channelled into a variety of projects. These range from education projects such as a kindergarten, homework club, parents school, Emmaus Club etc through to social care projects such as Canteens for the elderly, Lost & Found project, obtaining birth certificates, helping teenage mothers, supporting women with HIV and many other projects.

##### ***Public benefit***

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### ***Use of volunteers***

The charity is heavily dependent upon voluntary support to maintain its shop operation, and Shoebox Appeal, and utilises other voluntary support, e.g. warehouse operations.



## **Partnership for Growth**

### **Trustees' Report**

#### **Financial review**

##### ***Policy on reserves***

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. The trustees will continue to review the financial affairs of the charity with the aim to increase income, cut costs and to improve overall control of its operations. The trustees consider that the present level of funding will be adequate to support the continuation of the charity and for it to fulfil its obligations.

Income peaks annually as a result of the Shoebox Appeal, and cash flow is consequently managed on an overall yearly basis. No reserves are held other than on a short term basis, although unrestricted reserves available at the year end are considered adequate to support the charity through the cycle

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

##### ***Investment policy and objectives***

The objectives of the company authorises it to invest and deal with moneys not immediately required for its purposes in and upon such investments securities and property as may be thought fit.

#### **Going concern**

The charity has reviewed its financial performance and general reserves position. The charity has adequate financial resources and is able to manage its business risks. The charity's planning process has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure.

Taking into account all factors the charity has reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into the charity's ability to continue in operation.

Due to the Government support during Covid the charity has come out of the lockdown in a good position. The income is such that the trustees have a reasonable expectation that the charity will continue in operational existence and expand in the future.

Accordingly, the accounts have been prepared on the basis that the charity is a going concern.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	J Lelliott
	N Heward
	V John

## Partnership for Growth

### Trustees' Report

#### **Structure, governance and management**

##### ***Nature of governing document***

The charity is constituted as a company by guarantee, and is therefore governed by a memorandum and articles of association.

##### ***Recruitment and appointment of trustees***

All directors of the company are also trustees of the charity, and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so.

None of the trustees has any beneficial interest in the charity. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

##### ***Induction and training of trustees***

Potential trustees are selected on the basis of their personal qualities, Christian commitment and familiarity with the complex issues involved. A speciality linking to charity needs is also sought. New trustees are made familiar with the charity vision, operation and goals by dialogue with existing personnel and provision of minutes and other literature pertaining to charity activity.

All trustees are already familiar with the practical work of the charity. New trustees are encouraged to attend all management committee meetings. Short training sessions (if required) to familiarise new trustees with the charity and the context within which it operates are provided by the General Manager.

##### ***Organisational structure***

The charity is organised so that the trustees meet regularly to manage its affairs. The trustees meet at least quarterly with additional meetings as required. The charity is overseen by the trustees, supported by paid staff and volunteers. The organisation operates in the UK from premises in Ferring Street, Ferring.

Key strategic and administrative decisions are made by agreement of the trustees, and delegated as appropriate. Day to day management of the charity is delegated to the General Manager, Lisa Hector.

##### ***Disclosure of information to auditor***

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

##### ***Small companies provision statement***

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 27/1/23 and signed on its behalf by:



V John  
Trustee



## Partnership for Growth

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Partnership for Growth for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 27/1/93 and signed on its behalf by:



V John  
Trustee

## **Partnership for Growth**

### **Independent Auditor's Report to the Members of Partnership for Growth**

#### **Opinion**

We have audited the financial statements of Partnership for Growth (the 'charity') for the year ended 30 April 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 24 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:



## **Partnership for Growth**

### **Independent Auditor's Report to the Members of Partnership for Growth**

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 5), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Auditor responsibilities for the audit of the financial statements**

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### Detecting irregularities, including fraud

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



## **Partnership for Growth**

### **Independent Auditor's Report to the Members of Partnership for Growth**

#### ***Identifying and assessing potential risks relating to irregularities***

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Companies Act 2006 and UK taxation legislation.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We considered the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: charity shop operation. In common with all audits under ISAs UK, we are also required to perform specific procedures to respond to the risk of management override.

#### ***Audit response to risks identified***

As a result of performing the above, we identified the operations of the charity's shops as a key audit matter related to the potential risk of fraud.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- In addressing the identified revenue fraud risk: testing the revenue system software controls and vouching their donation income to supporting documentation; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- In addressing the identified risk of charity shop operation, testing the appropriateness and controls in cash counting; the use of volunteers and performing detailed analytical procedures on the shop takings.

#### ***Context of the ability of the audit to detect fraud or breaches of law or regulation***

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

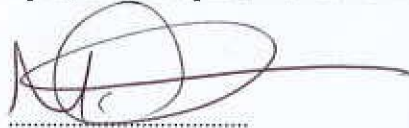
## **Partnership for Growth**

### **Independent Auditor's Report to the Members of Partnership for Growth**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Hodson (Senior Statutory Auditor)  
For and on behalf of Hodson and Co, Statutory Auditor

Wiston House  
1 Wiston Avenue  
Worthing  
West Sussex  
BN14 7QL

Date: 27/01/2023



## Partnership for Growth

### Statement of Financial Activities for the Year Ended 30 April 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	4	619,898	17,645	637,543
Other trading activities	5	620,420	214,468	834,888
Other income	6	5,751	600	6,351
Total income		<u>1,246,069</u>	<u>232,713</u>	<u>1,478,782</u>
<b>Expenditure on:</b>				
Raising funds	7	(616,696)	-	(616,696)
Charitable activities	8	(541,139)	(135,395)	(676,534)
Other expenditure	9	(10,932)	-	(10,932)
Total expenditure		<u>(1,168,767)</u>	<u>(135,395)</u>	<u>(1,304,162)</u>
Net income		77,302	97,318	174,620
Transfers between funds		<u>(27,308)</u>	<u>27,308</u>	<u>-</u>
Net movement in funds		49,994	124,626	174,620
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>176,403</u>	<u>120,141</u>	<u>296,544</u>
Total funds carried forward	20	<u><u>226,397</u></u>	<u><u>244,767</u></u>	<u><u>471,164</u></u>

The notes on pages 14 to 26 form an integral part of these financial statements.

## Partnership for Growth

### Statement of Financial Activities for the Year Ended 30 April 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	4	724,099	23,205	747,304
Other trading activities	5	299,564	15,925	315,489
Other income	6	4,866	829	5,695
Total income		<u>1,028,529</u>	<u>39,959</u>	<u>1,068,488</u>
<b>Expenditure on:</b>				
Raising funds	7	(633,918)	-	(633,918)
Charitable activities		(457,355)	(94,734)	(552,089)
Other expenditure	9	(2,276)	-	(2,276)
Total expenditure		<u>(1,093,549)</u>	<u>(94,734)</u>	<u>(1,188,283)</u>
Net expenditure		(65,020)	(54,775)	(119,795)
Transfers between funds		<u>(112,321)</u>	<u>112,321</u>	<u>-</u>
Net movement in funds		(177,341)	57,546	(119,795)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>353,744</u>	<u>62,595</u>	<u>416,339</u>
Total funds carried forward	20	<u><u>176,403</u></u>	<u><u>120,141</u></u>	<u><u>296,544</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 20.

## Partnership for Growth

(Registration number: 03527886)  
Balance Sheet as at 30 April 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	15	92,909	104,808
<b>Current assets</b>			
Debtors	16	18,260	21,692
Cash at bank and in hand		438,003	251,797
		456,263	273,489
<b>Creditors: Amounts falling due within one year</b>	17	(46,707)	(31,753)
<b>Net current assets</b>		409,556	241,736
<b>Total assets less current liabilities</b>		502,465	346,544
<b>Creditors: Amounts falling due after more than one year</b>	18	(31,301)	(50,000)
<b>Net assets</b>		471,164	296,544
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	20	244,767	120,141
<b>Unrestricted income funds</b>			
Unrestricted funds		226,397	176,403
<b>Total funds</b>	20	471,164	296,544

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 26 were approved by the trustees, and authorised for issue on 27/11/23 and signed on their behalf by:



V John  
Trustee

The notes on pages 14 to 26 form an integral part of these financial statements.



## Partnership for Growth

### Statement of Cash Flows for the Year Ended 30 April 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		174,620	(119,795)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	7, 9	<u>15,395</u>	<u>15,878</u>
		190,015	(103,917)
<b>Working capital adjustments</b>			
Decrease in debtors	16	3,432	34,359
Increase/(decrease) in creditors	17	<u>4,306</u>	<u>(6,837)</u>
Net cash flows from operating activities		197,753	(76,395)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	15	<u>(3,496)</u>	<u>(26,260)</u>
Net increase/(decrease) in cash and cash equivalents		186,206	(52,655)
Cash and cash equivalents at 1 May		<u>251,797</u>	<u>304,452</u>
Cash and cash equivalents at 30 April		<u><u>438,003</u></u>	<u><u>251,797</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

## **Partnership for Growth**

### **Notes to the Financial Statements for the Year Ended 30 April 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Link House  
Ferring Street  
Ferring  
West Sussex  
BN12 5JR

Authorised for issue date

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Partnership for Growth meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The trustees have assessed the impact of the Covid-19 virus and they have a reasonable expectation that the charity will continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

## **Partnership for Growth**

### **Notes to the Financial Statements for the Year Ended 30 April 2022**

#### **Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Donated shoeboxes are filled with items from a standard list. These are valued at £20 each with reference to the standard list and reviewed annually.

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its members. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Where costs cannot be directly attributed they are estimated based on activity levels in relation to staff costs.

Donations paid for the relief and development of projects are included in the statement of financial activities when donated. Donated shoeboxes are included in Provision of Aid when donated by the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.



## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### Taxation

The charitable company is registered as a charity and is exempt from taxation (except for Value Added Tax) on its income and capital gains applied for charitable purposes.

#### Tangible fixed assets

All fixed assets are initially recorded at cost. Tangible fixed asset additions are capitalised and depreciated in the year of purchase. Expenditure of less than £500 is not capitalised and is charged as an expense in the statement of financial activities.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicle	Over 4 years
Equipment	Between 2 and 5 years
Leasehold	Over 35 years
Plant & machinery	Over 4 years

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

## **Partnership for Growth**

### **Notes to the Financial Statements for the Year Ended 30 April 2022**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

#### **Financial instruments**

##### ***Classification***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### **Defined contribution plan**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 3 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2022 £	2021 £
Audit fees	4,250	4,575
Depreciation of fixed assets	15,395	15,878
Operating lease rentals	-	683

#### 4 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations and gifts	599,395	17,645	617,040	551,908
Legacies	5,000	-	5,000	5,002
Gift aid reclaimed	8,989	-	8,989	9,860
Grants, including capital grants;				
Government grants	4,003	-	4,003	180,534
Grants from other charities	2,511	-	2,511	-
	<u>619,898</u>	<u>17,645</u>	<u>637,543</u>	<u>747,304</u>

#### 5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total funds £	Total 2021 £
Trading income;				
Shop income	569,909	-	569,909	279,138
Fundraising events	50,511	214,468	264,979	36,351
	<u>620,420</u>	<u>214,468</u>	<u>834,888</u>	<u>315,489</u>

#### 6 Other income

	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
Gift Aid tax reclaimed	-	600	600	829
Gift Aid tax reclaimed	5,594	-	5,594	4,865
Other income	157	-	157	1
	<u>5,751</u>	<u>600</u>	<u>6,351</u>	<u>5,695</u>



## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

		Unrestricted	Total	Total
	Note	General £	2022 £	2021 £
Staff costs		97,310	97,310	89,042
Marketing and publicity		2,256	2,256	3,874
Establishment costs		41,220	41,220	83,985
Other direct costs of generating voluntary income		4,554	4,554	861
		145,340	145,340	177,762

##### b) Costs of trading activities

		Unrestricted funds General £	Total 2022 £	Total 2021 £
	Note			
Fundraising trading costs;				
Publicity		7,814	7,814	1,937
Shop costs - staff		245,583	245,583	221,631
Shop costs - establishment		145,011	145,011	130,864
Joint Venture - Ferring		-	-	48,940
Depreciation, amortisation and other similar costs		15,395	15,395	15,878
Other direct costs of activities for generating funds		56,730	56,730	36,906
Allocated support costs	10	823	823	-
		471,356	471,356	456,156

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 8 Expenditure on charitable activities

	Unrestricted			(As restated)
	General	Restricted	Total	Total
	£	£	2022	2021
	£	£	£	£
Education and skills	114,781	35,333	150,114	38,156
Provision of aid	426,358	100,062	526,420	512,133
Support costs	-	-	-	1,800
	<u>541,139</u>	<u>135,395</u>	<u>676,534</u>	<u>552,089</u>
	Activity			
	undertaken	Activity	Total	Total
	directly	support costs	2022	2021
	£	£	£	£
Education and skills	138,632	11,482	150,114	38,606
Provision of aid	491,975	34,445	526,420	513,483
	<u>630,607</u>	<u>45,927</u>	<u>676,534</u>	<u>552,089</u>

Of the above expenditure in 2022, £135,395 (2021 £94,734) was attributable to Restricted Funds.

Included in the expenditure analysed above, there are also governance costs of £8,705 (2021: 8,058) which relate directly to charitable activities. See note 10 for further details.

#### 9 Other expenditure

	Note	Unrestricted funds	Total	Total
		General	2022	2021
		£	£	£
Other resources expended		10,932	10,932	2,276
		<u>10,932</u>	<u>10,932</u>	<u>2,276</u>

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 10 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Basis of allocation	Staff costs £	Total 2022 £	Total 2021 £
Support costs	See below	45,927	45,927	1,800

##### Basis of allocation

Reference	Method of allocation
Education and skills	25% of the administration costs
Provision of aid	75% of the administration costs

##### Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Audit fees			
Audit of the financial statements	4,250	4,250	4,575
Other fees paid to auditors	1,106	1,106	925
Legal fees	2,521	2,521	2,150
Other governance costs	828	828	408
	<u>8,705</u>	<u>8,705</u>	<u>8,058</u>



## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	4,250	4,575
<b>Other fees to auditors</b>		
All other non-audit services	1,106	925

#### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 14 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	308,962	286,975
Social security costs	21,090	17,660
Employer contribution to pension plans	7,499	6,924
	337,551	311,559

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Number of production staff	18	18
Number of management staff	2	2
	20	20

No employee received emoluments of more than £60,000 during the year.

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2021	88,766	30,360	52,539	171,665
Additions	-	3,496	-	3,496
At 30 April 2022	<u>88,766</u>	<u>33,856</u>	<u>52,539</u>	<u>175,161</u>
<b>Depreciation</b>				
At 1 May 2021	2,050	29,265	35,542	66,857
Charge for the year	2,536	1,837	11,022	15,395
At 30 April 2022	<u>4,586</u>	<u>31,102</u>	<u>46,564</u>	<u>82,252</u>
<b>Net book value</b>				
At 30 April 2022	<u>84,180</u>	<u>2,754</u>	<u>5,975</u>	<u>92,909</u>
At 30 April 2021	<u>86,716</u>	<u>1,095</u>	<u>16,997</u>	<u>104,808</u>

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £84,180 (2021 - £86,716) in respect of leaseholds.

#### 16 Debtors

	2022 £	2021 £
Trade debtors	2,937	2,901
Prepayments	10,370	12,266
VAT recoverable	2,226	3,979
Other debtors	2,727	2,546
	<u>18,260</u>	<u>21,692</u>

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 17 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	10,648	-
Trade creditors	621	1,226
Other taxation and social security	16,105	10,674
Other creditors	11,893	10,932
Accruals	7,440	8,921
	<u>46,707</u>	<u>31,753</u>

#### 18 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	<u>31,301</u>	<u>50,000</u>

#### 19 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Within one year	53,770	85,800
Between one and five years	122,500	164,603
After five years	-	11,667
	<u>176,270</u>	<u>262,070</u>



## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 20 Funds

	Bal at 1 May 2021 £	Incoming resources £	Resources expended £	Tfrs £	Bal at 30 April 2022 £
<b>Unrestricted</b>					
General fund	176,403	1,246,069	(1,168,767)	(27,308)	226,397
<b>Restricted</b>					
Moldova Soup kitchen	251	74	(4,050)	3,725	-
Future Changed Project	43,417	11,961	(36,333)	6,778	25,823
Farm of Hope Future Changed	-	-	(1)	1	-
Inn of Love-Meals on Wheels-Dancu	7,723	-	(10,878)	3,155	-
Emmaus Club-Special Needs-Dancu	5,264	-	(6,066)	802	-
Ukraine	3,295	1,000	(6,055)	1,760	-
Homework Club - Iasi	278	-	-	(278)	-
Cluj - shower block	10,060	3,048	(2,196)	-	10,912
The Duckers Moldovan Mission	60	715	(540)	-	235
Cluj - Romania	4,901	412	(11,764)	6,663	212
Dubovca	4,597	2,550	(8,350)	1,203	-
Pervomaiscoe	8,203	180	(10,524)	2,141	-
Bags of Education	3,826	2,764	(3,635)	(16)	2,939
Good Homes for All	63	-	-	-	63
New Living Will Legacy	22,150	-	-	-	22,150
Dubcovca Emergency	5,050	-	-	-	5,050
Washing Machine Project	1,003	1,709	-	-	2,712
I am Appeal	-	3,048	-	-	3,048
Ukraine appeal	-	205,252	(33,697)	68	171,623
Bozieni	-	-	(1,306)	1,306	-
<b>Total restricted</b>	<u>120,141</u>	<u>232,713</u>	<u>(135,395)</u>	<u>27,308</u>	<u>244,767</u>
<b>Total funds</b>	<u>296,544</u>	<u>1,478,782</u>	<u>(1,304,162)</u>	<u>-</u>	<u>471,164</u>

## Partnership for Growth

### Notes to the Financial Statements for the Year Ended 30 April 2022

#### 21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 April 2022 £
Tangible fixed assets	92,909	92,909
Current assets	456,263	456,263
Current liabilities	(46,707)	(46,707)
Creditors over 1 year	(31,301)	(31,301)
Total net assets	<u>471,164</u>	<u>471,164</u>
	Unrestricted funds General £	Total funds at 30 April 2021 £
Tangible fixed assets	104,808	104,808
Current assets	273,489	273,489
Current liabilities	(31,753)	(31,753)
Creditors over 1 year	(50,000)	(50,000)
Total net assets	<u>296,544</u>	<u>296,544</u>

#### 22 Analysis of net funds

	At 1 May 2021 £	Financing cash flows £	At 30 April 2022 £
Cash at bank and in hand	<u>251,797</u>	<u>186,206</u>	<u>438,003</u>
Net debt	<u>251,797</u>	<u>186,206</u>	<u>438,003</u>
	At 1 May 2020 £	Financing cash flows £	At 30 April 2021 £
Cash at bank and in hand	<u>304,452</u>	<u>(52,655)</u>	<u>251,797</u>
Net debt	<u>304,452</u>	<u>(52,655)</u>	<u>251,797</u>

#### 23 Related party transactions

There were no related party transactions in the year.

#### 24 APB Ethical Standards relevant circumstances

In common with many other charities of our size and nature, we use our auditors for the preparation of the financial statements.