LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales · Charity number 1078271

Details

Other names	LEICESTER CHARITY LINK
Status	Registered
Legal form	Charitable company
Company number	03761954
Registered	1999-11-18
Register	View on the Charity Commission register

Contact

Address	20a Millstone Lane Leicester Leicestershire LE1 5JN
Phone	01162222200
Email	info@charity-link.org
Website	www.charity-link.org

Activities

Objects: THE RELIEF OF POVERTY AND THE DISTRESS ARISING THEREFROM

Activities: Charity Link administers grants on behalf of other charities for individuals in need in Leicestershire, Rutland and Northamptonshire. People suffering poverty or hardship are referred to us for help. We seek out and apply to other charities on service users' behalf and distribute any grants raised. We also provide administration services to other grant making charities.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Leicester City
- Leicestershire
- Northamptonshire
- Nottingham City
- Rutland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,682,692	£1,341,398	£1,204,375	22
2024-03-31	£1,835,882	£1,838,791	£881,355	22
2023-03-31	£2,126,269	£1,890,880	£881,625	22
2022-03-31	£1,862,545	£1,959,791	£649,270	21
2021-03-31	£1,577,844	£1,334,187	£649,860	18

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Trustees

Name	Role	Appointed
Barnaby Sturgess		2024-09-10
CHERYL PHAROAH		2012-05-10
CHRISTOPHER THOMAS SAUL		2017-05-09
CLIVE EDMUND SMITH		2000-12-29
Craig Ewan Shevas		2017-05-09
Emma Mary Anderson		2026-02-24
George Oliver		2019-02-05
Harinder Kaur Sahota		2021-02-09
Professor Surinder Mohan Sharma		2017-08-01
Steven Richard Barradell		2026-02-24

Linked charities

- LEICESTER CHILDREN'S AID ASSOCIATION (1078271-1)
- EDWARD WOOD POOR WIDOWS' HOUSE RENT ASSISTANCE FUND (1078271-2)

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LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales - Charity number 1078271

Accounts

Charity Registration No. 1078271

Company Registration No. 03761954 (England and Wales)

LEICESTER CHARITY ORGANISATION SOCIETY TRUSTEES REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

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LEICESTER CHARITY ORGANISATION SOCIETY

LEGAL AND ADMINSTRATIVE DETAILS

Trustees	A H Jarvis *(Treasurer)* G Oliver *(Chairman)* C A Pharoah C E Smith Prof S M Sharma C T Saul C E Shevas H Sahota B Sturgess *(appointed 10 September 2024)*
Chief Executive Officer (CEO)	Mrs S McEniff
Secretary	Mrs S McEniff
Charity number	1078271
Company number	03761954
Registered office and principal address	20a Millstone Lane Leicester LE1 5JN
Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank PLC 7 High Street Leicester LE1 9FS
Investment Advisors	Rowley-Turton (IFA) Limited Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Subsidiary Undertaking	The Goods Depot Limited Sandown Court Station Road Glenfield Leicester LE3 8BT

LEICESTER CHARITY ORGANISATION SOCIETY

LEGAL AND ADMINSTRATIVE DETAILS

Linked Charity - The Edward Wood Fund

20a Millstone Lane
Leicester
LE1 5JN

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and Accounting and Reporting by Charities. Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Administration Details

Leicester Charity Organisation Society, known as Charity Link, is a registered Charity and a Company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office is as shown on Page 1.

The Directors, who act as Trustees, are shown on Page 1 together with the names of the principal external advisors.

Structure, Governance and Management

The governing document of the Charity is the Memorandum and Articles of Association incorporated on 28 April 1999 and amended by a special resolution on 30 October 2006.

Organisation

A board of Trustees, who meet quarterly, administer the Charity. A Chief Executive Officer (CEO) is appointed by the Trustees to manage the day-to-day operations of the Charity.

Governance

The Board of Trustees is committed to good governance and has adopted the Charity Governance Code. The Trustees believe that strong governance is essential for the effective operation of the Charity and the trust of donors and beneficiaries. As part of this commitment, the Trustees have taken steps to comply with the principles and recommendations outlined in the Code and will continually assess and improve governance practices in line with the Code. Progress continues to be made to comply with the Code, and this progress is assessed by the Strategy & Governance Working Group and presented to the Board of Trustees on an annual basis.

Linked Charity

The Edward Wood Fund was established by Sir Edward Wood's will, proved on 23rd January 1918 and the governing scheme on the 8 July 1966, as amended by section 74c resolution dated 26th January 2010. The Edward Wood Fund includes two funds: the Edward Wood Poor Widows House Rent Assistance Fund (209464-1), which supports poor widows living in the City of Leicester whose youngest child has not reached the age of 16 years, by way of annual pensions, and the Leicester Charity Organisation Society Fund, to apply the income for the general purpose of Leicester Charity Organisation Society (1078271). In 2009, the trusteeship transferred to Leicester Charity Organisation Society (209464), and on 20th December 2024, the Edward Wood Fund was formally linked with Leicester Charity Organisation Society (1078271) as approved by the Charity Commission.

The year-end 31st March 2025 results of the Edward Wood Fund have been consolidated within the group accounts of Leicester Charity Organisation Society (1078271). The Trustees have ensured that the activities, achievements, and performance of the Edward Wood Fund are appropriately reflected in the

consolidated accounts and narrative reporting. The Fund continues to operate in accordance with its original objectives.

Policies and procedures for induction and training of Trustees

The Chair would like to express deep appreciation for the dedication and expertise of all trustees, especially those who have served for over nine years. Their long-term commitment has been instrumental in guiding the charity through various challenges and opportunities, and their contributions are greatly valued. The breadth of their experience has provided invaluable continuity and insight into the charity's strategic direction.

In recognition of the need for fresh perspectives and additional expertise, the Board of Trustees is actively recruiting new trustees to complement the existing skill set and strengthen governance further. This ongoing process ensures that the Board remains well-equipped to meet the charity's future needs while maintaining a high standard of governance and accountability. The Trustees have agreed to a transparent and open recruitment process to encourage equality, diversity, and inclusion within the Board of Trustees. Additionally, the Board acknowledges the importance of succession planning to ensure a smooth transition and continuity in leadership.

The charity has established a process for the recruitment, induction, and training of newly appointed trustees. This process ensures that all trustees are fully informed of their legal obligations under charity law and company law, as well as the governance and operational responsibilities associated with their role. Each new trustee has access to induction materials, which include the charity's governing documents, recent financial statements, key policies, and procedures, as well as information on the charity's strategic objectives and current activities. Furthermore, new trustees attend a series of briefings with senior staff to familiarise themselves with the charity's structure, operations, and key risks.

Employees

The trustees are hugely grateful for the hard work, dedication, and commitment of all members of staff throughout the year in achieving the charitable objects and mission. As the charity navigates a period of succession, transformation, and modernisation to better serve our beneficiaries, the staff members have embraced this era of change and innovation. The trustees remain committed to supporting and empowering staff, fostering a positive and productive working environment where they can thrive and contribute to the charity's mission. Together, we will continue to work towards achieving the charity's long-term goals, respond to challenges and opportunities, and deliver meaningful impact in the communities we serve.

Related parties

The Charity has common key personnel with R Daphne Plunket Charitable Trust, Leicester Indigent Old Age Society and the Mansion Trust (UK). Charity Link administers these charities. All other related parties and transactions can be found in note 19 of the Financial Statements.

Risk factors

The trustees are committed to ensuring that effective risk management systems are in place to identify, assess, and manage the key risks facing the charity. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed, and systems or procedures have been established to manage those risks. This includes regular assessments of both operational and financial risks, which are documented in a risk register. The risk register is reviewed quarterly to ensure that appropriate actions are taken to mitigate the identified risks. By maintaining robust internal controls and reviewing the effectiveness of risk management strategies, the trustees aim to protect the charity's assets, reputation, and the delivery of its charitable objectives.

Remuneration

The trustees have established a remuneration policy that ensures salaries and benefits for the charity's staff are fair, competitive, and aligned with the charity's values and objectives. The Finance and Remuneration Sub-Committee review remuneration annually, taking into account market benchmarks, the charity's financial performance, and the need to retain and attract skilled staff. Recommendations are made to the Board of Trustees and the Board of Trustees is responsible for adopting those recommendations. As the cost of living continues to rise, the Trustees have reviewed salary levels to include an inflationary uplift in salaries which would ensure that all staff members are above the Real Living Wage. The Trustees believe this demonstrates their commitment to the staff team, but also helps maintain a motivated and stable workforce, ultimately contributing to the continued success of our charitable endeavours.

Objectives and Activities

The Charity's objects are to relieve poverty and the distress arising therefrom, including but not exclusively by:

- the provision of charitable and other grants.
- the provision of welfare benefits and budgeting advice.
- the provision of information and training for other agencies regarding welfare benefit claims.
- the provision of services (including trust administration) to assist charities in conducting their affairs.
- to facilitate co-operation between charities and other welfare agencies.
- to influence social policy makers and service providers.

Charity's aims Our vision:

Everyone, irrespective of circumstances, has the opportunity to fulfil their potential in life.

Our purpose:

To provide timely, targeted and appropriate assistance in times of crisis or hardship.

Our beliefs:

- *Everyone has a right to a standard of living where they are dry, warm, clean, safe and can feed themselves*
- *Financial or practical support at a time of crisis or hardship can make a difference to people's well-being, health and their future*
- *We'll be most effective and efficient by working in collaboration with other organisations*

Strategies to achieve main objectives for the year:

The strategies employed to assist the Charity to meet these objectives included the following:

- providing charitable grants to individuals in need
- providing charitable grants to projects working with disadvantaged people
- working in partnership with other agencies to maximise financial help available to beneficiaries
- modernising and streamlining systems and processes
- outreach and community development

Criteria by which Charity measures its success.
The Charity measures its success in the reporting period by reference to the achievement of grant income, expenditure control, the number of referrals and the social impact which its work has on beneficiaries and delivery of KPIs relating to partnership projects.

Grant making policy.

The Charity receives referrals from health, social care and educational agencies, charities, and individuals. It raises grants to meet the needs of the most needy and vulnerable people in the community by raising funding from an in-house portfolio of funds, and accessing grants from national charities, benevolent and occupational funds.

Significance of volunteer staff

Volunteers play a significant role in the success of the Charity, and the Trustees are immensely grateful for the dedication and commitment of our volunteer staff. During this period, the charity was pleased to support three work-placement volunteers who contributed to the vital work and gained valuable insight into the sector. The Trustees would also like to thank two regular volunteers who made significant contributions to the work of the charity. Additionally, the charity would like to extend its gratitude to all the volunteers who support events, particularly the Leicestershire Three Peaks challenge, making this event such a success.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people we support and enable those with responsibility in the sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

Achievements and Performance

The Trustees' primary focus is to ensure the delivery of the Charity's objectives and mission during a period of change and uncertainty. To achieve this, the Charity must remain financially stable while being able to respond to the needs within the community and wider external factors. In previous years, the Charity has been supported and distributing the Household Support grants scheme on behalf of Leicester City Council. However, due to uncertainty regarding the continuation of the scheme, it was managed solely by Leicester City Council during the period. This had a direct impact on the overall grants awarded, which amounted to £1,094,908 at the year end of 2025, compared to £1,612,639 in the previous year. The number of direct charitable awards to individuals decreased to 6,559 during the period, compared to 7,953 in the previous year. It should also be noted that the grant programme funded for a fifth year by Octopus Energy as part of the Warm Homes Initiative saw funding increase to respond to the ongoing cost of living crisis and needs within the community.

Our thanks go to all those charities, local authorities, companies, and individuals which helped us support the most vulnerable members of our community through another challenging period.

The Charity has achieved significant milestones in the past year. We closely monitored performance against targets for funding received under grant agreements with local authorities and the Integrated Care Board. Our proactive approach in driving forward a digital roadmap and modernising systems and processes has improved efficiencies and increased the overall impact of our work.

Despite external challenges such as the continued insecurity over funding from local authorities, the NHS Leicester, Leicestershire and Rutland Integrated Care Board, and a difficult fundraising landscape, the Charity has made notable progress. The charity actively advanced a Casework strategy to increase awareness and reach targeted beneficiaries. Additionally, we initiated two collaborative projects during the period to influence trauma-informed welfare provision and facilitate a pilot to improve the exchange of information and support the beneficiary journey.

The trading arm, The Goods Depot Limited, which, opened in 2019 to supply low-cost domestic appliances to the Charity's beneficiaries, remained operational throughout the year. The objectives of The Goods Depot Limited are to assist a greater number of service users, expand business to business external sales and improve the Charity's environmental impact. Profits from the subsidiary company are gifted to the Charity to contribute to long-term sustainability.

The Trust Administration Service actively implemented a successful business plan to enhance awareness and client base, enabling not-for-profit clients to benefit from its expert services in charity management, governance, clerkship, and grant management support. This initiative was aimed at bolstering the sustainability of the charity. As a result, administration fees for the period amounted to £132,198, compared to £111,283 in 2024.

Fundraising activities

The Charity is registered with the Fundraising Regulator. Fundraising activity includes subscriptions, individual donations, events, legacy giving, community fundraising, trust fundraising, corporate giving, and through merchandise sales. A fundraising target of £250,000 for the general administration of the Charity was set for the year. This was achieved during the financial year due to the dedicated efforts of our fundraising team and the generous support of our donors and community partners.

Investment policy

The Trustees have the power to invest in such assets as they deem appropriate. As permitted by the Charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile. The Finance & Remunerations Sub-Committee meet every 6-months to monitor the investment portfolio performance.

Investment income

The income from the Leicester Children's Aid Association investments is distributed by the Charity to assist children in need in the area of benefit of the Association, thus meeting its charitable objects. Those funds contribute to the relief of poverty objective of the Charity through the provision of grants to assist poor children and young people in Leicester through educational and other awards.

Financial Review

Accounting Year

The Charity has prepared accounts to 31 March 2025.

Review of activities

During the year the Charity had total incoming resources of £1,682,692 (2024: £1,835,882) and there was a net increase in funds of £323,020 (2024: decrease £270) largely due to the introduction of the Edward Wood Fund into the Charity. The total restricted funds at the end of the period amounted to £465,108 (2024: £214,038), endowment funds amounted to £76,930 (2024: (£75,987) and unrestricted funds (not designated for specific purposes) amounted to £412,337 (2024: £366,330). Note 16 to the accounts shows unrestricted fixed assets of £112,583 (2024: £127,839); free reserves, as defined by SORP 2015, were, therefore, in surplus by £299,754 after taking account of the pension deficit liability of £21,500 (2024: £238,491 - deficit after pension deficit liability of £11,000).

Reserves policy

It is the policy of the Charity that free reserves should be maintained at a level equivalent to six months' unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.
It is the aim of the Charity that a sum be added to a designated property fund in each year provided that a sufficient operating surplus or free reserves warrant this. This fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. The Trustees consider that, in this financial year, unrestricted funds are sufficient to allow an amount of £25,000 to be transferred.

Principal funding sources

Aside from funds secured on behalf of service users, the principal sources in the year were income from fundraising and grant aided arrangements with Leicester City Council, Leicestershire County Council and the NHS Leicester, Leicestershire and Rutland Integrated Care Board. Grants were also received from a number of local and national charities to assist with the running costs of the Charity. In meeting the key objectives of the Charity some £755,133 was paid by way of grants to service users and a further 205 grants totalling £339,775 were remitted directly by the donor charity to individual service users following referral by ourselves.

Linked Charity – The Edward Wood Fund

The income of the Charity for the year was £7,738 compared with £8,734 in the prior year. There was a net increase in restricted funds amounting to £2,360 with the result that total funds available for distribution at 31st March 2025 amounted to £14,892. There was a net gain on the capital value of the investment portfolio of £2,283 during the year. Total funds at the year-end stood at £197,557.

Plans for Future Years

The Trustees have carefully considered the charity's strategic direction while addressing new and emerging opportunities and challenges in these uncertain times. During the year, the charity successfully implemented a succession plan, strengthening the senior leadership team to meet strategic objectives and priorities. The Board of Trustees recognises the commitment and dedication of long-standing Trustees, the importance of succession planning, and the need to balance this with new expertise and skills to enhance governance structures. The Board of Trustees will offer an open and transparent recruitment path to associate members to attract candidates from a broader range of backgrounds, fostering personal development, further enhancing fresh perspectives and diversity of thinking.

In the coming years, the charity plans to extend its services in the East Midlands, commencing with a small pilot project in Nottingham City to reach out to more beneficiaries who can access vital services.

The charity is operating in challenging times, with The Goods Depot and Trust Administration Service being key to future financial sustainability. While the fundraising climate and risks from the cessation of local authority funding present challenges, the charity will continue to grow the Trust Administration Service and scale up the trading of The Goods Depot Limited to achieve sustained profitability, ensuring both services continue to be net contributors to the Charity's operating income.

The charity will build on the success of collaborative projects and a proactive Casework strategy to further develop strategic partnerships with other organisations. This approach aims to increase its reach within marginalised communities and enhance the overall impact on beneficiaries and the wider communities we serve.

The charity will continue to prioritise sustainable growth, modernising its operations and leveraging technology to streamline service provision across all areas to maximise charitable outcomes. As part of this strategy, the trustees have identified key priorities, including income generation, innovative service development, cyber-security, and embedding equality, diversity, and inclusion to create a fair and equitable working environment. Additionally, the trustees are dedicated to strengthening the charity's governance, risk management, and financial stability to support its long-term objectives. The charity will continue to monitor external factors, such as economic conditions and changes in regulatory requirements, to adapt its plans as necessary.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Leicester Charity Organisation Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charitable company and the group will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board of Trustees.

George Oliver (Dec 1, 2025 13:56:33 GMT)

G Oliver

25 November 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Opinion

We have audited the financial statements of Leicester Charity Organisation Society (the parent company its subsidiary and linked charity) for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable company 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 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.

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 financial statements are 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or the group, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's and group's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9 and 10, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester Charity Organisation Society, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester Charity Organisation Society and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.

- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Somerbys Limited

1st December 2025

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2025

Current year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2025
Income from:						
Voluntary Income	2	312,911	804,770	-	-	1,117,681
Administration fees		130,344	-	-	-	130,344
Investment income	3	49,711	11,023	-	-	60,734
Funds from Linked charity		-	193,870	-	-	193,870
Incoming resources from charitable activities	4	121,547	23,606	-	-	145,153
Other trading income		34,910	-	-	-	34,910
Total income		649,423	1,033,269	-	-	1,682,692
Expenditure on:						
Raising funds	5	106,968	499	-	-	107,467
Charitable Activity						
Relief of poverty	5	449,948	783,983	-	-	1,233,931
Total expenditure		556,916	784,482	-	-	1,341,398
Realised gain/(loss) on Investment assets		-	-	-	-	-
Unrealised gain/(loss) on investment assets	16	-	2,283	-	943	3,226
Net income/(expenditure)		92,507	251,070	-	943	344,520
Transfers between funds	20	(25,000)	-	25,000	-	-
		67,507	251,070	25,000	943	344,520
Other recognised gains and losses						
Pension deficit adjustment	14	(21,500)	-	-	-	(21,500)
Net movement in funds		46,007	251,070	25,000	943	323,020
Fund balances at 1 April 2024		366,330	214,038	225,000	75,987	881,355
Fund balances at 31 March 2025		£412,337	£465,108	£250,000	£76,930	£1,204,375

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

See page 16 for corresponding figures for 2024.

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2025

Prior year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2024
Income from:						
Voluntary Income	2	271,288	1,210,924	-	-	1,482,212
Administration fees		111,283	-	-	-	111,283
Investment income	3	39,783	3,607	-	-	43,390
Incoming resources from charitable activities	4	145,417	23,835	-	-	169,252
Other trading activities		29,745	-	-	-	29,745
Total income		597,516	1,238,366	-	-	1,835,882
Expenditure on:						
Raising funds	5	91,511	461	-	-	91,972
Charitable Activity						
Relief of poverty	5	436,290	1,310,529	-	-	1,746,819
Total expenditure		527,801	1,310,990	-	-	1,838,791
Realised gain/(loss) on Investment assets		-	-	-	(1,017)	(1,017)
Unrealised gain/(loss) on investment assets	16	-	-	-	4,046	4,046
Net income/(expenditure)		69,715	(72,624)	-	3,029	120
Transfers between funds	20	(25,000)	-	25,000	-	-
Transaction		(390)	-	-	-	(390)
		44,325	(72,624)	25,000	3,029	(270)
Other recognised gains and losses						
Pension deficit adjustment		-	-	-	-	-
Net movement in funds		44,325	(72,624)	25,000	3,029	(270)
Fund balances at 1 April 2023		322,005	286,662	200,000	72,958	881,625
Fund balances at 31 March 2024		£366,330	£214,038	£225,000	£75,987	£881,355

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

LEICESTER CHARITY ORGANISATION SOCIETY

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2025

Group	Notes		2025	2024
Fixed assets				
Tangible assets	9		112,583	127,839
Investments	10		255,576	73,724
			368,159	201,563
Current assets				
Stock		19,518		21,003
Debtors	12	38,399		102,361
Cash at bank and in hand		919,286		740,960
		977,203		864,324
Creditors: amounts falling due within one year	13	(127,487)		(184,532)
Net current assets			849,716	679,792
Creditors: amounts falling due after one year	14		(13,500)	-
Total assets			£1,204,375	£881,355
Capital fund				
Endowment	17		76,930	75,987
Designated funds	18		250,000	225,000
Income funds				
Restricted funds	15		465,108	214,038
Unrestricted funds			412,337	366,330
			£1,204,375	£881,355

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

These accounts were approved by the Trustees on 25 November 2025

Signed on behalf of the Trustees,

G Oliver
Chairman George Oliver (Dec 1, 2025 13:56:33 GMT)
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

BALANCE SHEET
AT 31 MARCH 2025

Company	Notes		2025	2024
Fixed assets				
Tangible assets	9		112,583	127,839
Investments	10		74,667	73,724
Investment in subsidiary	10		100	100
			187,350	201,663
Current assets				
Debtors	12	29,557		120,126
Cash at bank and in hand		872,048		696,377
		901,605		816,503
Creditors: amounts falling due within one year	13	(172,697)		(136,811)
Net current assets			728,908	679,692
Creditors: amounts falling due after one year	14		(13,500)	-
Total assets			£902,758	£881,355
Capital fund				
Endowment	17		76,930	75,987
Designated funds	18		250,000	225,000
Income funds				
Restricted funds	15		267,551	214,038
Unrestricted funds			308,277	366,330
			£902,758	£881,355

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

These accounts were approved by the Trustees on 25 November 2025.

Signed on behalf of the Trustees,

George Oliver (Dec 1, 2025 13:56:33 GMT)

G Oliver
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

STATEMENT OF CONSOLIDATED CASHFLOWS
YEAR ENDED 31 MARCH 2025

	Notes	2025	2024
Cash flow from operating activities			
Cash generated/(used) in operations	**23**	117,592	53,146
Net cash flow from operating activities		117,592	53,146
Cash flow from investing activities			
Payments to acquire investments		-	(30,513)
Receipts from sales of investments		-	30,669
Investment income received		60,734	43,390
Net cash flow from investing activities		60,734	43,546
Net increase in cash and cash equivalents		178,326	96,692
Cash and cash equivalents at 1 April 2024		740,960	644,268
Cash and cash equivalents at 31 March 2025		£919,286	£740,960
Cash and cash equivalents consists of:			
Cash at bank and in hand		919,286	740,960
Cash and cash equivalents at 31 March 2025		£919,286	£740,960

1. Accounting Policies

Charity information

Leicester Charity Organisation Society Limited (the Charitable Company) is a charity incorporated in England and Wales. The Registered Office is 20a Millstone Lane, Leicester, LE1 5JN.

The group consists of Leicester Charity Organisation Limited and its subsidiary undertaking, The Goods Depot Limited.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Account 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic or Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements of the group are prepared under the historical cost convention, modified to include listed investments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and the group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. There have been no changes to accounting estimates during the reporting year.

The Charity has taken advantage of the small company provisions of the Companies Act 2006.

1.2 Going concern

The financial statements of the charity have been prepared on a going concern basis. The trustees have considered the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Subsidiary

The financial statements of the Goods Depot Limited have been prepared on the going concern basis. The financial statements have been prepared on this basis on the assumption of continued support of the Charity.

1.3 Recognition of income

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and is probable that they will be fulfilled. Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents

amounts received for future periods and is released to incoming resources in the year for which it has been received.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from local government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Investment income is recognised when the amount can be measured reliably.

Income of subsidiary

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into accounts trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorized under the following headings:

- Costs of raising funds, which are the costs of generating incoming resources from all sources other than from charitable activities.
- Charitable activities, which are all the costs applied by the charity in undertaking its work to meet its charitable objectives.

Grants payable to third parties are within the charity's objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled are outside of the control of the charity.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	-	Straight line over the period of the lease
Fixtures, fittings & equipment	-	33% per annum of cost
Motor vehicles	-	33% per annum of cost

1.6 Impairment of fixed assets

At each reporting period end date, the charitable company reviews the carrying amounts of tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.7 Fixed asset Investments

Investments are stated at fair value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where appliable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.9 Cash and cash equivalents

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

1.10 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Pensions

The Charity partakes in a multi-employer pension scheme for the benefit of its employees which is independently administered by The Pensions Trust. The assets and liabilities of the fund are detailed at note 14.

In addition, the Group also operates a defined contribution pension scheme for the benefit of its employees which is independently administered. The expenses of the scheme are charged to the SOFA as and when they fall due.

1.12 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purpose.

1.13 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for specific purposes. The costs of administering such

funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are retained for the benefit of the charity as a capital fund. The fund consists of investments that are used for the purpose of the charity.

Designated funds are funds which are set aside from the unrestricted funds by the trustees for specifically designated purposes. The aim and use of each designated fund is set out in the notes to the accounts.

1.14 Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the discounted amount expected to be paid in exchange for that service.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognized at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognized in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognized in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognized as a liability.

1.17 Critical accounting estimates and judgements

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets

Support cost allocations:

Support costs are apportioned as they relate to more than one cost category (see note 5).

2 Voluntary income	Unrestricted funds	Restricted funds	2025	2024
Core grants	-	804,270	804,270	1,210,424
Donations, subscriptions and discounts received	62,350	500	62,850	58,458
Income from fundraising	250,561	-	250,561	213,325
Legacies	-	-	-	5
	£312,911	£804,770	£1,117,681	£1,482,212

3 Investment income	Unrestricted funds	Restricted funds	2025	2024
Rental income	14,800	-	14,800	14,800
Income from listed investments	219	10,980	11,199	4,536
Interest receivable	34,692	43	34,735	24,054
	£49,711	£11,023	£60,734	£43,390

4 Incoming resources from charitable activities	2025	2024
Grants receivable for charitable activities		
Unrestricted funds:		
Leicester City Council	33,095	79,500
Leicestershire County Council	14,138	14,069
Lloyds bank / Quetzal	11,000	-
Warm Homes Initiative	63,314	51,848
	121,547	145,417
Restricted funds:		
Leicester City Council	13,723	13,883
Leicestershire County Council	5,862	5,931
Leicester/Leicestershire Integrated Care Board	4,021	4,021
	23,606	23,835
	£145,153	£169,252

The Charity receives income from local government to assist individuals in identifying support funding to which they are entitled.

5 Expenditure

	Staff Costs (note 7)	Depreciation (note 9)	Other Costs (note 8)	Total 2025	Total 2024
Costs of generating funds:					
Fundraising and publicity	92,147	-	15,320	107,467	91,972
Charitable Activity – Relief of Poverty:					
Donations in kind	-	-	422,969	422,969	415,373
Inter-group transactions	-	-	(638,419)	(638,419)	(575,862)
Grants payable (note 6)	-	-	756,043	756,043	1,286,694
Employment costs	512,109	-	-	512,109	492,655
Administration costs	-	15,256	165,973	181,229	127,959
	512,109	15,256	706,566	1,233,931	1,746,819
	£604,256	£15,256	£721,886	£1,341,398	£1,838,791

6 Grants payable

	2025	2024
Grants to institutions - 4 (2024 – 10 grants)	910	3,683
Grants to individuals – 6,346 (2024 – 5,591 grants)	753,133	1,283,011
Grants to Individuals – 8 – Linked Charity	2,000	-
(Linked Charity)	£756,043	£1,286,694

Grants to institutions	2025	2024
KEMP Hospice	200	170
Pink Ribbon Donation	410	178
P Hepworth – Just giving	200	-
D Swannick – Just giving	100	-
Cancer Research	-	65
Yorkshire Cancer Research	-	115
LOROS Hospice	-	245
Barnsley Hospice	-	110
Katharine House Hospice	-	1,300
C/Link – Just Giving For Charlie	-	500
C/Link – Asbestos Support	-	500
Dementia UK	-	500
	£910	£3,683

In addition to the above grants administered through the Society, a further 205 awards totalling £339,775 were secured on behalf of individuals and institutions. These grants were remitted directly by the donors to the beneficiaries.

7 Employees	2025	2024
	Number	Number
Number of employees		
The average monthly number of employees during the year was:	22	22
The number of part time employees was	18	18
Employment costs		
Wages and salaries	520,636	493,746
Social security costs	38,293	35,158
Other pension costs	45,327	43,156
	£604,256	£572,060

The number of employees whose annual remuneration was more than £60,000 per annum or was:

	2025	2024
	Number	Number
£60,000 to £70,000	1	1

The Charity considers its key management personnel to consist of the CEO, Deputy CEO, Operations Manager and Finance Manager. The remuneration and benefits paid to these personnel totalled £167,846 (2024 - £170,433).

None of the Trustees (or any person connected with them) received any remuneration during this year.
Reimbursed expenses to trustees during the year amounted £nil (2024 - £nil).

8 Other costs

Fundraising and publicity	2025	2024
Promotion expenses	14,821	12,106
Investment management fees	499	461
	£15,320	£12,567

Administration costs		
Rent and rates	18,335	16,704
Insurance	10,627	5,879
Light and heat	10,929	5,773
Repairs and maintenance	42,663	3,497
Stationery	5,801	5,732
Telephone, internet and fax	5,366	6,314
Travelling expenses	14,304	11,014
Legal and professional	2,189	5,523
Sundry expenses	3,075	2,341
Recruitment expenses	749	2,047
Subscriptions	4,839	2,719
Bank charges	907	1,490
Cleaning	7,582	5,804
Computer expenses	17,534	18,547
Health and safety	3,892	1,705
Staff training	1,379	1,981
Postage	6,531	4,392
Auditor's remuneration	9,271	11,241
	£165,973	£112,703

9 **Group**
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
Cost/Valuation				
At 31 March 2024	237,500	46,984	16,640	301,124
Revaluation/additions	-	-	-	-
Disposal	-	-	-	-
At 31 March 2025	£237,500	£46,984	£16,640	£301,124
Depreciation				
At 31 March 2024	112,500	44,145	16,640	173,285
Charge for the year	12,500	2,756	-	15,256
Eliminated on revaluation	-	-	-	-
Disposal	-	-	-	-
At 31 March 2025	£125,000	£46,901	£16,640	£188,541
Net book value				
At 31 March 2025	£112,500	£83	£Nil	£112,583
At 31 March 2024	£125,000	£2,839	£Nil	£127,839

Company
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Total
Cost/Valuation			
At 31 March 2024	237,500	46,984	284,484
Revaluation/additions	-	-	-
Disposal	-	-	-
At 31 March 2025	£237,500	£46,984	£284,484
Depreciation			
At 31 March 2024	112,500	44,145	156,645
Charge for the year	12,500	2,756	15,256
Eliminated on disposal	-	-	-
Disposal	-	-	-
At 31 March 2025	£125,000	£46,901	£171,901
Net book value			
At 31 March 2025	£112,500	£83	£112,583
At 31 March 2024	£125,000	£2,839	£127,839

10 Investments

Fixed asset Investments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Investments	255,576	73,724	74,667	73,724

Movements in fixed asset investments	Investments £
Group	
Cost or valuation	
At 1 April 2024	73,724
Additions	178,626
Net unrealised gain on revaluation	3,226
Cost or valuation 31 March 2025	£255,576
Historical cost 1 April 2024 and 31 March 2025	£236,732

Charity

Cost or valuation	
At 1 April 2024	73,724
Net unrealised gain on revaluation	943
Cost or valuation 31 March 2025	£74,667
Historical cost 1 April 2024 and 31 March 2025	£69,167

All investments were held in the United Kingdom. The Trustees consider that there were no individual material investments held at the end of the year. Listed investments are valued at market value at the year end.

Subsidiary

Details of the company's subsidiary at 31 March 2025 are as follows:

Name of undertaking	Registered office	Company No	Class of shares held	% Held
The Goods Depot Limited	UK	11581108	Ordinary	100

Results for the year

Income	673,329
Expenditure	(569,265)
Profit before taxation	£104,064
Total Assets	£123,027
Total Liabilities	£18,863

11 Stocks

	Group		Charity	
	2025	2024	2025	2024
Goods for resale	£19,518	£21,003	-	-

12 Debtors

	Group		Charity	
	2025	2024	2025	2024
Trade debtors	29,947	91,198	27,638	87,373
Income tax recoverable	-	343	-	343
Amount owed by subsidiary undertaking	-	-	-	31,870
Prepayments and accrued income	8,452	10,820	1,919	540
	£38,399	£102,361	£29,557	£120,126

13 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
Trade creditors	69,969	104,953	62,300	64,125
Taxes and social security costs	10,383	16,113	-	15,619
VAT on sales	-	-	10,122	-
Other creditors	13,342	8,622	2,405	-
Amount owed to subsidiary company	-	-	64,077	2,223
Accruals and deferred income	25,793	43,844	25,793	43,844
Pension deficit	8,000	11,000	8,000	11,000
	£127,487	£184,532	£172,697	£136,811

14 Pension costs

The Charity

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

The charity participates in a multi – employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2023 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2025	2024
Liability at 1 April 2024	11,000	25,000
Unwinding of the discount factor (interest expense)	1,000	1,000
Deficit contributions paid	(12,000)	(14,000)
Re-measurements – impact of any change in assumptions	-	(1,000)
Re-measurements – amendment to the contributions schedule	21,500	-
Balance sheet liability at 31 March 2025	21,500	£11,000
Due within 1 year	8,000	£11,000
Due after 1 year	**13,500**	**-**
Amounts payable by instalments after 5 years	-	-

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2025	March 2024	March 2023	March 2022
Discount rate applied to future recovery plan contributions due	4.84%	5.31%	5.52%	2.35%

15 Restricted funds

Group 2025	Balance 1 April 2024	Movement in funds: Incoming Resource	Movement in funds: Resources Expended	Movement in funds: Gain on investments	Balance 31 March 2025
Edward Wood Poor Widows' House Rent Assistance Fund and the Edward Wood Leicester Charity Organisation Society Fund	-	201,608	6,334	2,283	197,557
Carlton Hayes Mental Health Charity	2,905	27,000	28,097	-	1,808
Covenants	741	610	910	-	441
Leicester Children's Aid Association	2,660	3,785	4,024	-	2,421
Other funds held for distribution to the needy	207,732	776,660	721,511	-	262,881
Local authorities and ICBs	-	23,606	23,606	-	-
	£214,038	£1,033,269	£784,482	£2,283	£465,108

15 Restricted funds

Group 2024

	Movement in funds			
	Balance 1 April 2023	**Incoming Resource**	**Resources Expended**	**Balance 31 March 2024**
Carlton Hayes Mental Health Charity	5,088	36,000	36,183	2,905
Funds held for other charitable institutions	2,424	2,000	3,683	741
Leicester Children's Aid Association	3,044	4,108	4,452	2,660
Other funds held for distribution to the needy	276,146	1,172,423	1,240,837	207,732
Local authorities and ICBs	-	23,835	23,835	-
	£286,662	£1,238,366	£1,310,990	£214,038

Charity 2025

	Movement in funds			
	Balance 1 April 2024	**Incoming Resource**	**Resources Expended**	**Balance 31 March 2025**
Carlton Hayes Mental Health Charity	2,905	27,000	28,097	1,808
Funds held for other charitable institutions	741	610	910	441
Leicester Children's Aid Association	2,660	3,785	4,024	2,421
Other funds held for distribution to the needy	207,732	776,660	721,511	262,881
Local Authorities and ICBs	-	23,606	23,606	-
	£214,038	£831,661	£778,148	£267,551

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2025

Charity 2024	Movement in funds			
	Balance 1 April 2023	Incoming Resource	Resources Expended	Balance 31 March 2024
Carlton Hayes Mental Health Charity	5,088	36,000	38,183	2,905
Funds held for other charitable institutions	2,424	2,000	3,683	741
Leicester Children's Aid Association	3,004	4,108	4,452	2,660
Other funds held for distribution to the needy	276,146	1,172,423	1,240,837	207,732
Local Authorities and ICBs	-	23,835	23,835	-
	£286,662	£1,238,366	£1,310,990	£214,038

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds, all of the costs have been charged to unrestricted funds for this year and for previous years.

- The Edward Wood Poor Widows House Rent Assistance supports poor widows living in the City of Leicester whose youngest child has not reached the age of 16 years by way of annual pensions, and the Leicester Charity Organisation Society Fund, to apply the income for the general purpose of Leicester Charity Organisation Society.
- The Carlton Hayes Mental Health Charity makes grants for people in need living in Leicestershire and Rutland who are experiencing mental health problems
- The funds held for other charitable institutions are block grant arrangements with companies and individual donors which help institutions engaged in charitable activities
- Leicester Children's Aid Association assists children and young people resident in the city of Leicester under the age of 18 with grants to promote their education and welfare.
- Leicester City Council and Leicestershire County Council support the activities of the charity in order to reduce poverty and distress in the city of Leicester and county of Leicestershire respectively. The three Clinical Commissioning Groups operating in Leicestershire and Rutland support the activities of the charity in seeking out funding for equipment, aids and adaptions that help disabled people to retain their independence.

16 Analysis of net assets between funds

Group	Unrestricted fund	Restricted Fund	Designated Funds	Endowment Funds	Total Funds 2025	Total Funds 2024
Fund balances at 31 March 2025 are represented by:						
Tangible fixed assets	112,583	-	-	-	112,583	127,839
Investments	-	180,908	-	74,667	255,575	73,724
Current assets	318,194	406,747	250,000	2,263	977,204	864,324
Creditors: amounts falling due within one year	(4,940)	(122,547)	-	-	(127,487)	(184,532)
Creditors: amounts falling due after one year	(13,500)	-	-	-	(13,500)	-
	£412,337	£465,108	£250,000	£76,930	£1,204,375	£881,355

Charity	Unrestricted fund	Restricted fund	Designated Funds	Endowment Funds	Total Funds 2025	Total Funds 2024
Fund balances at 31 March 2025 are represented by:						
Tangible fixed assets	112,583	-	-	-	112,583	127,839
Investments	100	-	-	74,667	74,767	73,824
Current assets	259,244	390,098	250,000	2,263	901,605	816,503
Creditors: amounts falling due within one year	(50,150)	(122,547)	-	-	(172,697)	(136,811)
Creditors: amounts falling due after one year	(13,500)	-	-	-	(13,500)	-
	£308,277	£267,551	£250,000	£76,930	£902,758	£881,355

16 Analysis of net assets between funds (continued)

	Restricted Funds 2025	Endowment Funds 2025	Total Funds 2025	Total Funds 2024
Unrealised gains/(losses) included above:				
On investments (see below)	13,343	5,501	18,844	4,558
Reconciliation of movements in unrealised Gains/(losses) on investment assets				
Unrealised gains at 1 April 2024	-	4,558	4,558	883
Addition	11,060	-	11,060	(371)
	11,060	4,558	15,618	512
Net increase arising in year	2,283	943	3,226	4,046
Unrealised gain 31 March 2025	£13,343	£5,501	£18,844	£4,558

17 Endowment funds

The Endowment Funds relate to Leicester Children's Aid Association which was transferred into the Charity on 29 October 2007 together with the net funds of Connection, another locally based Charity which merged with Leicester Children's Aid Association in 2008.

18 Designated funds

The designated property fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. During the year £25,000 was transferred to the fund.

19 Related Party Transactions

During the year, administration fees and grants were received from the following charities in which some or all of the Trustees of Leicester Charity Organisation Society are also Trustees: -

	2025	2024
	£	£
Leicester Indigent Old Age Society	5,608	7,112
The Mansion Trust (UK)	3,108	3,606
The Nicholson Memorial Fund (Rosehill Trust)	22,288	11,680
R Daphne Plunket Charitable Trust	128,061	73,786
Alderman Newton's Educational Foundation	16,616	17,798

At the year end the charity was owed £698 by the Mansion Trust (UK) (2024 - £1,364), and £1,101 by R Daphne Plunket Charitable Trust (2024 - £2,627).

20 Transfer between funds

During the year, Leicester Charity Organisation Society transferred £25,000 from the unrestricted fund to the designated property fund to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034.

21 Lease commitments

The Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2025	2024
	£44,640	£34,396

The Charity

At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2025	2024
	£19,873	£25,945

22 Financial Guarantees

The Charitable company has guaranteed the lease payments of The Goods Depot Limited on the leasehold premises from which that company operates. At 31 March 2025 the lease commitment amounted to £24,767.

23 Reconciliation of net income to net cash flow from operations

	2025	2024
Net movement in funds	323,020	(270)
Depreciation of tangible fixed assets	15,256	15,256
(Gains)/losses on investments	(3,226)	(3,029)
Investment income	(60,734)	(43,390)
Value of funds from Linked Charity	(193,870)	-
Movements in working capital		
Cash from Linked Charity	15,244	-
Decrease/(Increase) in stock	1,485	(2,969)
Decease/(Increase) in debtors	63,962	99,953
Increase/(Decrease) in creditors	(43,545)	(12,405)
Net cash inflow/(outflow) from operations	£117,592	£53,146

24 Analysis of changes in net funds

The charity had no debt during the year.

LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales - Charity number 1078271

Accounts

Charity Registration No. 1078271

Company Registration No. 03761954 (England and Wales)

LEICESTER CHARITY ORGANISATION SOCIETY TRUSTEES REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

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LEICESTER CHARITY ORGANISATION SOCIETY

LEGAL AND ADMINSTRATIVE DETAILS

Trustees	A H Jarvis *(Treasurer)* G Oliver *(Chairman)* C A Pharoah C E Smith Prof S M Sharma C T Saul C E Shevas H Sahota
Chief Executive Officer (CEO)	Mrs S McEniff
Secretary and Deputy CEO	J A Munton
Charity number	1078271
Company number	03761954
Registered office and principal address	20a Millstone Lane Leicester LE1 5JN
Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank PLC 7 High Street Leicester LE1 9FS
Investment Advisors	Rowley-Turton (IFA) Limited Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Subsidiary Undertaking	The Goods Depot Limited Sandown Court Station Road Glenfield Leicester LE3 8

LEICESTER CHARITY ORGANISATION SOCIETY

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report and financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and Accounting and Reporting by Charities. Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Administration Details

Leicester Charity Organisation Society, known as Charity Link, is a registered Charity and a Company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office is as shown on Page 1.

The Directors, who act as Trustees, are shown on Page 1 together with the names of the principal external advisors.

Structure, Governance and Management

The governing document of the Charity is the Memorandum and Articles of Association incorporated on 28 April 1999 and amended by a special resolution on 30 October 2006.

Organisation

A board of Trustees, who meet quarterly, administer the Charity. A Chief Executive Officer (CEO) is appointed by the Trustees to manage the day-to-day operations of the Charity.

Governance

The board of Trustees are committed to good governance and has adopted the Charity Governance Code. The Trustees believe that strong governance is essential for the effective operation of the Charity and the trust of donors and beneficiaries. As part of the commitment, the Trustees have taken steps to comply with the principles and recommendations outlined in the Code and will continually assess and improve governance practices in line with the Code.

Policies and procedures for induction and training of Trustees

The Chair would like to express his deep appreciation for the dedication and expertise of all trustees, particularly those who have served for over nine years. Their long-term commitment has been instrumental in guiding the charity through various challenges and opportunities, and their contributions are greatly valued. The breadth of their experience has provided invaluable continuity and insight into the charity's strategic direction. In recognition of the need for fresh perspectives and additional expertise, the Board of Trustees is actively recruiting new trustees to complement the existing skill set and strengthen governance further. This ongoing process ensures that the Board remains well-equipped to meet the charity's future needs while maintaining a high standard of governance and accountability.

The charity has established a process for the induction and training of newly appointed trustees. This process ensures that all trustees are fully informed of their legal obligations under charity law and company law, as well as the governance and operational responsibilities associated with their role. Each new trustee has access to induction materials, which includes the charity's governing documents, recent financial statements, key policies, and procedures, as well as information on the charity's strategic objectives and current activities. Furthermore, new trustees attend a series of briefings with senior staff and existing trustees to familiarise themselves with the charity's structure, operations, and key risks.

Ongoing training opportunities are provided to trustees to ensure that their skills and knowledge remain up to date, enabling them to effectively fulfil their duties.

Employees

The trustees would like to extend their sincere thanks to all members of staff for their hard work, dedication, and professionalism throughout the year. The success of the charity in meeting its charitable objectives is a direct result of the commitment and passion demonstrated by our staff. Their efforts have ensured that the charity continues to deliver high-quality services and support to our beneficiaries, even in the face of challenges. The trustees remain committed to supporting and empowering staff, fostering a positive and productive working environment where they can thrive and contribute to the charity's mission. Together, we will continue to work towards achieving the charity's long-term goals and delivering meaningful impact in the communities we serve.

Related parties

The Charity has common key personnel with R Daphne Plunket Charitable Trust, Leicester Indigent Old Age Society and the Mansion Trust (UK). Charity Link administers these charities. All other related parties and transactions can be found in note 19 of the Financial Statements.

Risk factors

The trustees are committed to ensuring that effective risk management systems are in place to identify, assess, and manage the key risks facing the charity. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed, and systems or procedures have been established to manage those risks. This includes regular assessments of both operational and financial risks, which are documented in a risk register. The risk register is reviewed quarterly to ensure that appropriate actions are taken to mitigate the identified risks. By maintaining robust internal controls and reviewing the effectiveness of risk management strategies, the trustees aim to protect the charity's assets, reputation, and the delivery of its charitable objectives.

Remuneration

The trustees have established a remuneration policy that ensures salaries and benefits for the charity's staff are fair, competitive, and aligned with the charity's values and objectives. The Finance and Remuneration Sub-Committee review remuneration annually, taking into account market benchmarks, the charity's financial performance, and the need to retain and attract skilled staff. Recommendations are made to the Board of Trustees and the Board of Trustees is responsible for adopting those recommendations. In light of the current economic climate and cost of living, the Trustees have reviewed salary levels to include an inflationary uplift of salaries to offer a fair salary, retain staff and support the delivery of the Charity's aims and objectives. Cost of living pay increases were awarded to staff reflecting rising living costs, whilst maintaining budgetary controls. The Trustees believe this demonstrates their commitment to the staff team, but also helps maintain a motivated and stable workforce, ultimately contributing to the continued success of our charitable endeavours.

Objectives and Activities

The Charity's objects are to relieve poverty and the distress arising therefrom but not exclusively by:

- the provision of charitable and other grants.
- the provision of welfare benefits and budgeting advice.
- the provision of information and training for other agencies regarding welfare benefit claims.
- the provision of services (including trust administration) to assist charities in conducting their affairs.

- to facilitate co-operation between charities and other welfare agencies.
- to influence social policy makers and service providers.

Charity's aims

Our vision:
Everyone, irrespective of circumstances, has the opportunity to fulfil their potential in life.

Our purpose:
To provide timely, targeted and appropriate assistance in times of crisis or hardship.

Our beliefs:

- *Everyone has a right to a standard of living where they are dry, warm, clean, safe and can feed themselves*
- *Financial or practical support at a time of crisis or hardship can make a difference to people's well-being, health and their future*
- *We'll be most effective and efficient by working in collaboration with other organisations*

Strategies to achieve main objectives for the year.

The strategies employed to assist the Charity to meet these objectives included the following:

- providing charitable grants to individuals in need
- providing charitable grants to projects working with disadvantaged people
- working in partnership with other agencies to maximise financial help available to beneficiaries
- modernising and streamlining systems and processes
- outreach and community development

Criteria by which Charity measures its success.

The Charity measures its success in the reporting period by reference to the achievement of grant income, expenditure control, the number of referrals and the social impact which its work has on beneficiaries and delivery of KPIs relating to partnership projects.

Grant making policy.

The Charity receives referrals from health, social care and educational agencies, charities, and individuals. It raises grants to meet the needs of the most needy and vulnerable people in the community by raising funding from an in-house portfolio of funds, national charities, benevolent and occupational funds.

Significance of volunteer staff

Volunteers play a significant role in the success of the Charity and the Trustees are immensely grateful for the dedication and commitment of our volunteer staff. Although numbers have not returned to pre-pandemic times, a number of volunteers have supported the work of the charity, including taking part in the internship programme with De Montfort University.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The

Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people we support and enable those with responsibility in the sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

Achievements and Performance

The principal focus of the Trustees over the last year was to deliver the Charity's objectives as the cost-of- living crisis continued, creating considerable need among service users. In order to do so, the Charity had to remain financially stable while, simultaneously, meeting the need from service users. This was achieved with an effective team response from trustees, staff and volunteers. Grants to individuals in need were £1,612,639 in the year, compared to £1,653,835 in the prior year, the total number of grants made increased to 7,953 from 7,918 in the year to March 2023, a slight increase year on year. These grants helped disadvantaged individuals and families, as well as institutions working with such people.

A grant programme was funded for a fourth year by Octopus Energy as part of the Warm Homes Initiative. The Charity also assisted Leicester City Council and Leicestershire County Council deliver its Household Support grants scheme. This combination of grant programs supported the response to the cost-of- living crisis and ensured that the charity has actively and successfully delivered on its core objective and positively impacting on 6,500 beneficiaries.

Our thanks go to all those charities, local authorities, companies, and individuals which helped us support the most vulnerable members of our community through another challenging period.

In achieving our objectives, the Charity closely monitors performances against targets for funding received under grant agreements with the local authorities and Integrated Care Board; maintains service standards for trusts under our administration; actively drives forward the development of our IT systems, continues to modernise systems and processes in order to improve efficiencies to increase the overall impact of our work. External factors and risks are the continued insecurity over funding from the local authorities and the NHS Leicester, Leicestershire and Rutland Integrated Care Board and reduced income from donations.

The trading arm, The Goods Depot Limited, which, opened in 2019 to supply low-cost domestic appliances to the Charity's beneficiaries, remained operational throughout the year. The objectives of The Good Depot Limited are to assist a greater number of service users, expand business to business external sales and improve the Charity's environmental impact. Any profits from the subsidiary company will be gifted to the Charity to contribute to long-term sustainability.

Fundraising activities

The Charity is registered with the Fundraising Regulator. Fundraising activity includes subscriptions, individual donations, events, legacy giving, community fundraising, trust fundraising, corporate giving and through merchandise sales. A fundraising target of £250,000 for the general administration of the Charity was set for the year. This was not achieved during the financial year, as donations and subscriptions decreased by 10% and fundraising income decreased by 4%, as a direct result of the difficult economic climate.

Investment policy

The Trustees have the power to invest in such assets as they deem appropriate. As permitted by the Charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

Investment income

The income from the Leicester Children's Aid Association investments is distributed by the Charity to assist children in need in the area of benefit of the Association, thus meeting its charitable objects. Those funds contribute to the relief of poverty objective of the Charity through the provision of grants to assist poor children and young people in Leicester through educational and other awards.

Financial Review

Accounting Year
The Charity has prepared accounts to 31 March 2024.

Review of activities

During the year the Charity had total incoming resources of £1,835,882 (2023: £2,126,269) and there was a net decrease in funds of £270 (2023: £232,355 net increase). However, 2023 was an exceptional year where income increased by £263,000 against the 2022 year-end. The total restricted funds at the end of the period amounted to £214,038 (2023: £286,662), endowment funds amounted to £75,987 (2023: (£72,958) and unrestricted funds (not designated for specific purposes) amounted to £366,330 (2023: £322,005). Note 16 to the accounts shows unrestricted fixed assets of £127,839 (2023: £143,095); free reserves, as defined by SORP 2015, were, therefore, in surplus by £238,491 after taking account of the pension deficit liability of £11,000 (2023: £178,910 - deficit after pension deficit liability of £25,000).

Reserves policy

It is the policy of the Charity that free reserves should be maintained at a level equivalent to six months unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

It is the aim of the Charity that a sum be added to a designated property fund in each year provided that a sufficient operating surplus or free reserves warrant this. This fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. The Trustees consider that, in this financial year, unrestricted funds are sufficient to allow an amount of £25,000 to be transferred.

Principal funding sources

Aside from funds secured on behalf of service users, the principal sources in the year were income from fundraising and grant aided arrangements with Leicester City Council, Leicestershire County Council and the NHS Leicester, Leicestershire and Rutland Integrated Care Board. Grants were also received from a number of local and national charities to assist with the running costs of the Charity. In meeting the key objectives of the Charity some £1,283,011 was paid by way of grants to service users and a further 197 grants totalling £329,628 were remitted directly by the donor charity to individual service users following referral by ourselves.

Plans for Future Years

The Trustees have carefully considered the charity's strategic direction and are committed to building on the successes of the past year while addressing new and emerging opportunities, as well as challenges. In the coming years, the charity plans to expand its services in the East Midlands, continue the expansion of the Trust Administration Service, scale up the trading of The Goods Depot Limited to achieve sustained profitability so both services become a net contributor to the Charity's operating income. Continued further development of strategic partnerships with other organisations to increase reach within marginalised communities and enhance the overall impact on beneficiaries and within the wider communities that we serve. The charity will continue to focus on sustainable growth, ensuring that the organisation is modernised and using technology to streamline service provision across all areas of operation to maximise charitable outcomes. As part of this strategy, the trustees have identified key priorities, including income generation, innovative service development, cyber-security and embedding equality, diversity, and inclusion for a fair and equitable working environment. In addition, the trustees are dedicated to strengthening the charity's governance, risk management, and financial stability to support its long-term objectives. The charity will continue to monitor external factors, such as economic conditions and changes in regulatory requirements, to adapt its plans as necessary.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Leicester Charity Organisation Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charitable company and the group will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board of Trustees.

G Oliver
G Oliver (Nov 29, 2024 11:16 GMT)

G Oliver
26 November 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Opinion

We have audited the financial statements of Leicester Charity Organisation Society (the parent company and its subsidiary) for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable company 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 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.

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 financial statements are 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or the group, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's and group's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester Charity Organisation Society, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester Charity Organisation Society and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

29 November 2024

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2024

Current year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2024
Income from:						
Voluntary Income	2	271,288	1,210,924	-	-	1,482,212
Administration fees		111,283	-	-	-	111,283
Investment income	3	39,783	3,607	-	-	43,390
Incoming resources from charitable activities	4	145,417	23,835	-	-	169,252
Other trading income		29,745	-	-	-	29,745
Total income		597,516	1,238,366	-	-	1,835,882
Expenditure on:						
Raising funds	5	91,511	461	-	-	91,972
Charitable Activity						
Relief of poverty	5	436,290	1,310,529	-	-	1,746,819
Total expenditure		527,801	1,310,990	-	-	1,838,791
Realised gain/(loss) on Investment assets		-	-	-	(1,017)	(1,017)
Unrealised gain/(loss) on investment assets	16	-	-	-	4,046	4,046
Net income/(expenditure)		69,715	(72,624)	-	3,029	120
Transfers between funds	20	(25,000)	-	25,000	-	-
Taxation		(390)				(390)
		44,325	(72,624)	25,000	3,029	(270)
Net movement in funds		44,325	(72,624)	25,000	3,029	(270)
Fund balances at 31 March 2023		322,005	286,662	200,000	72,958	881,625
Fund balances at 31 March 2024		£366,330	£214,038	£225,000	£75,987	£881,355

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

See page 14 for corresponding figures for 2023.

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2024

Prior year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2023
Income from:						
Voluntary Income	2	327,869	1,504,863	-	-	1,832,732
Administration fees		87,324	-	-	-	87,324
Investment income	3	19,628	2,851	-	-	22,479
Incoming resources from charitable activities	4	145,684	27,690	-	-	173,374
Other trading income		10,360	-			10,360
Total income		590,865	1,535,404	-	-	2,126,269
Expenditure on:						
Raising funds	5	84,237	435	-	-	84,672
Charitable Activity						
Relief of poverty	5	420,311	1,385,897	-	-	1,806,208
Total expenditure		504,548	1,386,332	-	-	1,890,880
Realised gain/(loss) on Investment assets		-	-	-	(3,928)	(3,928)
Unrealised gain/(loss) on investment assets	16	-	-	-	894	894
Net income/(expenditure)		86,317	149,072	-	(3,034)	232,355
Transfers between funds	20	(60,000)	-	60,000	-	-
		26,317	149,072	60,000	(3,034)	232,355
		26,317	149,072	60,000	(3,034)	232,355
Fund balances at 31 March 2022		295,688	137,590	140,000	75,992	649,270
Fund balances at 31 March 2023		£322,005	£286,662	£200,000	£72,958	£881,625

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

LEICESTER CHARITY ORGANISATION SOCIETY

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2024

Group	Notes		2024	2023
Fixed assets				
Tangible assets	9		127,839	143,095
Investments	10		73,724	70,851
			201,563	213,946
Current assets				
Stock	11	21,003		18,034
Debtors	12	102,361		202,314
Cash at bank and in hand		740,960		644,268
		864,324		864,616
Creditors: amounts falling due within one year	13	(184,532)	679,792	(185,937)
Net current assets			881,355	678,679
Creditors: amounts falling due after one year	14		-	(11,000)
Total assets			881,355	£881,625
Capital fund				
Endowment	17		75,987	72,958
Designated funds	18		225,000	200,000
Income funds				
Restricted funds	15		214,038	286,662
Unrestricted funds			366,330	322,005
			881,355	£881,625

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

These accounts were approved by the Trustees on 26 November 2024

Signed on behalf of the Trustees,

G Oliver
G Oliver (Nov 29. 2024 11:16 GMT)

G Oliver
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

BALANCE SHEET
AT 31 MARCH 2024

Company	Notes		2024	2023
Fixed assets				
Tangible assets	9		127,839	143,095
Investments	10		73,724	70,851
Investment in subsidiary	10		100	100
			201,663	214,046
Current assets				
Debtors	12	120,126		244,404
Cash at bank and in hand		696,377		607,727
		816,503		852,131
Creditors: amounts falling due within one year	13	(136,811)		(154,001)
Net current assets			679,692	698,130
Creditors: amounts falling due after one year	14		-	(11,000)
Total assets			881,355	£901,176
Capital fund				
Endowment	17		75,987	72,958
Designated funds	18		225,000	200,000
Income funds				
Restricted funds	15		214,038	286,662
Unrestricted funds			366,330	341,556
			£881,355	£901,176

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

These accounts were approved by the Trustees on 26 November 2024.

Signed on behalf of the Trustees,

G Oliver
G Oliver (Nov 29, 2024 11:16 GMT)

G Oliver
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

STATEMENT OF CONSOLIDATED CASHFLOWS
YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
Cash flow from operating activities			
Cash generated/(used) in operations	23	53,146	388,872
Net cash flow from operating activities		53,146	388,872
Cash flow from investing activities			
Payments to acquire assets		-	(8,351)
Payments to acquire investments		(30,513)	(66,834)
Receipts from sales of investments		30,669	68,169
Investment income received		43,390	22,479
Net cash flow from investing activities		43,546	15,463
Net increase in cash and cash equivalents		96,692	404,335
Cash and cash equivalents at 31 March 2023		644,268	239,933
Cash and cash equivalents at 31 March 2024		740,960	644,268
Cash and cash equivalents consists of:			
Cash at bank and in hand		740,960	644,268
Cash and cash equivalents at 31 March 2024		£740,960	£644,268

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Account 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic or Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements of the group are prepared under the historical cost convention, modified to include listed investments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and the group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. There have been no changes to accounting estimates during the reporting year.

The Charity has taken advantage of the small company provisions of the Companies Act 2006.

1.2 Going concern

The financial statements of the charity have been prepared on a going concern basis. The trustees have considered the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Subsidiary

The financial statements of the Goods Depot Limited have been prepared on the going concern basis. The financial statements have been prepared on this basis on the assumption of continued support of the Charity.

1.3 Recognition of income

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and is probable that they will be fulfilled.

Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the year for which it has been received.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from local government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Investment income is recognised when the amount can be measured reliably.

Income of subsidiary

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into accounts trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorized under the following headings:

- Costs of raising funds, which are the costs of generating incoming resources from all sources other than from charitable activities.
- Charitable activities, which are all the costs applied by the charity in undertaking its work to meet its charitable objectives.

Grants payable to third parties are within the charity's objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled are outside of the control of the charity.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	-	Straight line over the period of the lease
Fixtures, fittings & equipment	-	33% per annum of cost
Motor vehicles	-	33% per annum of cost

1.6 Impairment of fixed assets

At each reporting period end date, the charitable company reviews the carrying amounts of tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.7 Fixed asset Investments

Investments are stated at fair value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where appliable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.9 Cash and cash equivalents

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

1.10 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Pensions

The Charity partakes in a multi-employer pension scheme for the benefit of its employees which is independently administered by The Pensions Trust. The assets and liabilities of the fund are detailed at note 14.

In addition, the Group also operates a defined contribution pension scheme for the benefit of its employees which is independently administered. The expenses of the scheme are charged to the SOFA as and when they fall due.

1.12 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purpose.

1.13 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for specific purposes. The costs of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are retained for the benefit of the charity as a capital fund. The fund consists of investments that are used for the purpose of the charity.

Designated funds are funds which are set aside from the unrestricted funds by the trustees for specifically designated purposes. The aim and use of each designated fund is set out in the notes to the accounts.

1.14 Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the discounted amount expected to be paid in exchange for that service.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognized at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognized in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognized in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognized as a liability.

1.17 Critical accounting estimates and judgements

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets

Support cost allocations:

Support costs are apportioned as they relate to more than one cost category (see note 5).

2 Voluntary income	Unrestricted funds	Restricted funds	2024	2023
Core grants	-	1,210,424	1,210,424	1,504,363
Donations, subscriptions and discounts received	57,958	500	58,458	64,813
Income from fundraising	213,325	-	213,325	223,099
Legacies	5	-	5	40,457
	£271,288	£1,210,924	£1,482,212	£1,832,732

3 Investment income	Unrestricted funds	Restricted funds	2024	2023
Rental income	14,800	-	14,800	14,800
Income from listed investments	1,132	3,404	4,536	3,772
Interest receivable	23,851	203	24,054	3,907
	£39,783	£3,607	£43,390	£22,479

4 Incoming resources from charitable activities

	2024	2023
Grants receivable for charitable activities		
Unrestricted funds:		
Leicester City Council	79,500	89,362
Leicestershire County Council	14,069	14,711
Warm Homes Initiative	51,848	41,611
	145,417	145,684
Restricted funds:		
Leicester City Council	13,883	12,380
Leicestershire County Council	5,931	11,289
Leicester/Leicestershire Integrated Care Board	4,021	4,021
	23,835	27,690
	£169,252	£173,374

The Charity receives income from local government to assist individuals in identifying support funding to which they are entitled.

5 Total resources expended

The trust allocates its support costs as shown in the table below. Support costs are allocated on a basis of staff time.

	Staff Costs (note 7)	Depreciation (note 9)	Other Costs (note 8)	Total 2024	Total 2023
Costs of generating funds:					
Fundraising and publicity	79,405	-	12,567	91,972	84,672
Charitable Activity – Relief of Poverty:					
Donations in kind	-	-	415,373	415,373	314,631
Inter-group transactions	-	-	(575,862)	(575,862)	(441,118)
Grants payable (note 6)	-	-	1,286,694	1,286,694	1,358,207
Employment costs	492,655	-	-	492,655	430,036
Administration costs	-	15,256	112,703	127,959	144,452
	492,655	15,256	1,238,908	1,746,819	1,806,208
	£572,060	£15,256	£1,251,475	£1,838,791	£1,890,880

6 Grants payable

	2024	2023
Grants to institutions - 10 (2023 – 2 grants)	3,683	304
Grants to individuals - 7,756 (2023 – 7,792 grants)	1,283,011	1,378,557
	£1,286,694	£1,378,861

Grants to institutions	2024	2023
Parkinsons Disease Society	-	654
Kemp Hospice	170	150
Cancer Research	65	-
Yorkshire Cancer Research	115	-
Loros Hospice	245	-
Barnsley Hospice	110	-
Kartherine House Hospice	1,300	-
C/Link – Justgiving For Charlie	500	-
C/Link – Asbestos Support	500	-
Pink Ribbon Donation	178	-
Dementia Uk	500	
Grants refunded	-	(500)
	£3,683	£304

In addition to the above grants administered through the Society, a further 197 awards totalling £329,628 were secured on behalf of individuals and institutions. These grants were remitted directly by the donors to the beneficiaries.

7 Employees	2024	2023
	Number	Number
Number of employees		
The average monthly number of employees during the year was:	22	22
The number of part time employees was	18	18
Employment costs		
Wages and salaries	493,746	430,735
Social security costs	35,158	29,449
Other pension costs	43,156	40,282
	£572,060	£500,466

The number of employees whose annual remuneration was more than £60,000 per annum or was:

	2024	2023
	Number	Number
£60,000 to £70,000	1	1

The Charity considers its key management personnel to consist of the CEO, Deputy CEO, Operations Manager and Finance Manager. The remuneration and benefits paid to these personnel totalled £170,433 (2023 - £153,839).

None of the Trustees (or any person connected with them) received any remuneration during this year.
A trustee was reimbursed for travel expenses during the year to the amount of £nil (2023 - £35).

8 Other costs

Fundraising and publicity	2024	2023
Promotion expenses	12,106	13,807
Investment management fees	461	435
	£12,567	£14,242

Administration costs		
Rent and rates	16,704	16,045
Insurance	5,879	4,655
Light and heat	5,773	6,122
Repairs and maintenance	3,497	5,219
Printing & stationery	5,732	6,904
Telephone and fax	6,314	5,259
Travelling expenses	11,014	13,335
Legal and professional	5,523	22,592
Sundry expenses	2,341	2,070
Recruitment expenses	2,047	2,576
Subscriptions	2,719	1,442
Bank charges	1,490	1,595
Cleaning	5,804	6,455
Computer expenses	18,547	17,067
Health and safety	1,705	592
Staff training	1,981	1,153
Postage	4,392	4,205
Auditor's remuneration	11,241	11,910
	£112,703	£129,196

9 **Group**
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
Cost/Valuation				
At 31 March 2023	237,500	46,984	16,640	301,124
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 March 2024	£237,500	£46,984	£16,640	£301,124
Depreciation				
At 31 March 2023	100,000	41,389	16,640	158,029
Charge for the year	12,500	2,756	-	15,256
Eliminated on disposal	-	-	-	-
At 31 March 2024	£112,500	£44,145	£16,640	£173,285
Net book value				
At 31 March 2024	£125,000	£2,839	£Nil	£127,839
At 31 March 2023	£137,500	£5,595	£Nil	£143,095

Company
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Total
Cost/Valuation			
At 31 March 2023	237,500	46,984	284,484
Additions	-	-	-
Disposal	-	-	-
At 31 March 2024	£237,500	£46,984	£284,484
Depreciation			
At 31 March 2023	100,000	41,389	141,389
Charge for the year	12,500	2,756	15,256
Eliminated on disposal	-	-	-
At 31 March 2024	£112,500	£44,145	£156,645
Net book value			
At 31 March 2024	£125,000	£2,839	£127,839
At 31 March 2023	£137,500	£5,595	£143,095

Charity
Listed investments

Market value at 31 March 2023	70,851
Acquisitions at cost	30,513
Disposals at opening book value	(31,686)
Net unrealised gain on revaluation	4,046
Market value at 31 March 2024	£73,724
Historical cost:	
At 31 March 2024	£69,167
Historical cost:	
At 31 March 2023	£69,967

All investments were held in the United Kingdom. The Trustees consider that there were no individual material investments held at the end of the year. Listed investments are valued at market value at the year end.

Subsidiaries
Details of the company's subsidiary at 31 March 2024 are as follows:

Name of undertaking	Registered office	Company No	Class of shares held	% Held
The Goods Depot Limited	UK	11581108	Ordinary	100

Results for the year

Income	605,607
Expenditure	(553,798)
Profit before taxation	£51,809
Total Assets	£81,915
Total Liabilities	£81,815

11 Stocks

	Group		Charity	
	2024	2023	2024	2023
Goods for resale	£21,003	£18,034	-	-

12 Debtors

	Group		Charity	
	2024	2023	2024	2023
Trade debtors	91,198	186,948	87,373	186,777
Income tax recoverable	343	3,581	343	3,581
Amount owed by subsidiary undertaking	-	-	31,870	53,257
Prepayments	10,820	11,785	540	789
	£102,361	£202,314	£120,126	£244,404

13 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
Trade creditors	104,953	125,908	64,125	111,903
Taxes and social security costs	16,113	19,169	15,619	7,000
Other creditors	8,622	5,922	-	160
Amount owed to subsidiary company	-	-	2,223	-
Accruals and deferred income	43,844	20,938	43,844	20,938
Pension deficit	11,000	14,000	11,000	14,000
	£184,532	£185,937	£136,811	£154,001

14 Pension costs

The Charity

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

The charity participates in a multi – employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2024	2023
Liability at 1 April 2023	25,000	39,000
Unwinding of the discount factor (interest expense)	1,000	1,000
Deficit contributions paid	(14,000)	(14,000)
Re-measurements – impact of any change in assumptions	(1,000)	(1,000)
Re-measurements – amendment to the contributions schedule		-
Balance sheet liability at 31 March 2024	£11,000	£25,000
Due within 1 year	£11,000	£14,000
Due after 1 year	-	£11,000
Amounts payable by instalments after 5 years	-	-

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2024	March 2023	March 2022	March 2021
Discount rate applied to future recovery plan contributions due	5.31%	5.52%	2.35%	0.66%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds, all of the costs have been charged to unrestricted funds for this year and for previous years.

The subsidiary

The Goods Depot Limited operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Restricted funds

2024		Movement in funds		
	Balance 1 April 2023	Incoming Resource	Resources Expended	Balance 31 March 2024
Carlton Hayes Mental Health Charity	5,088	36,000	38,183	2,905
Funds held for other charitable institutions	2,424	2,000	3,683	741
Leicester Children's Aid Association	3,004	4,108	4,452	2,660
Other funds held for distribution to the needy	276,146	1,172,423	1,240,837	207,732
Local authorities and CCG	-	23,835	23,835	-
	£286,662	£1,238,366	£1,310,990	£214,038

2023		Movement in funds		
	Balance 1 April 2022	Incoming Resource	Resources Expended	Balance 30 March 2023
Carlton Hayes Mental Health Charity	3,763	36,000	34,675	5,088
Funds held for other charitable institutions	1,420	1,308	304	2,424
Leicester Children's Aid Association	3,837	3,351	4,184	3,004
Other funds held for distribution to the needy	128,570	1,467,055	1,319,480	276,146
Local Authorities and CCGs	-	27,690	27,690	-
	£137,590	£1,535,404	£1,386,332	£286,662

15 Restricted funds (continued)

- The Carlton Hayes Mental Health Charity makes grants for people in need living in Leicestershire and Rutland who are experiencing mental health problems
- The funds held for other charitable institutions are block grant arrangements with companies and individual donors which help institutions engaged in charitable activities
- Leicester Children's Aid Association assists children and young people resident in the city of Leicester under the age of 18 with grants to promote their education and welfare.
- Leicester City Council and Leicestershire County Council support the activities of the charity in order to reduce poverty and distress in the city of Leicester and county of Leicestershire respectively. The three Clinical Commissioning Groups operating in Leicestershire and Rutland support the activities of the charity in seeking out funding for equipment, aids and adaptions that help disabled people to retain their independence.

16 Analysis of net assets between funds

Group	Unrestricted fund	Restricted Fund	Designated Funds	Endowment Funds	Total Funds 2024	Total Funds 2023
Fund balances at 31 March 2024 are represented by:						
Tangible fixed assets	127,839	-	-	-	127,839	143,095
Investments	-	-	-	73,724	73,724	70,851
Current assets	359,620	277,441	225,000	2,263	864,324	864,616
Creditors: amounts falling due within one year	(121,129)	(63,403)		-	(184,532)	(185,937)
Creditors: amounts falling due after one year	-	-	-	-	-	(11,000)
	£366,330	£214,038	£225,000	£75,987	£881,355	£881,625
Company						
Fund balances at 31 March 2024 are represented by:						
Tangible fixed assets	127,839	-	-	-	127,839	143,095
Investments	100	-	-	73,724	73,824	70,951
Current assets	311,797	277,441	225,000	2,263	816,501	852,131
Creditors: amounts falling due within one year	(73,406)	(63,403)	-	-	(136,809)	(154,001)
Creditors: amounts falling due after one year	-	-	-	-	-	(11,000)
	£366,330	£214,038	£225,000	£75,987	£881,355	£901,176

				Endowment Funds 2024	Total Funds 2024	Total Funds 2023
Unrealised gains/(losses) included above:						
On investments (see below)				4,558	4,558	894
Reconciliation of movements in unrealised Gains/(losses) on investment assets						
Unrealised gains at 1 April 2023	-	-	-	883	883	9,915
Deduct in respect of disposals in year	-	-	-	(371)	(371)	(9,915)
	-	-	-	512	512	-
Net increase arising in year	-	-	-	4,046	4,046	883
Unrealised gain 31 March 2023	£-	£-	£-	£4,558	£4,558	£883

17 Endowment funds

The Endowment Funds relate to Leicester Children's Aid Association which was transferred into the Charity on 29 October 2007 together with the net funds of Connection, another locally based Charity which merged with Leicester Children's Aid Association in 2008.

18 Designated funds

The designated property fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. During the year £25,000 was transferred to the fund.

19 Related Party Transactions

During the year, administration fees and grants were received from the following charities in which some or all of the Trustees of Leicester Charity Organisation Society are also Trustees: -

	2024 £	2023 £
Leicester Indigent Old Age Society	7,112	7,065
The Mansion Trust (UK)	3,606	3,088
The Nicholson Memorial Fund (Rosehill Trust)	11,680	15,914
R Daphne Plunket Charitable Trust	73,786	104,283
Edward Wood Poor Widows	1,793	4,636
Alderman Newton's Educational Foundation	17,798	24,875

At the year end the charity was owed £2,095 by the Mansion Trust (UK). £1 by R Daphne Plunket Charitable Trust (2023 - £2,436) and £nil by The Nicholson Memorial Fund (2023 - £1,469)

There was no trustee's remuneration paid.

20 Transfer between funds

During the year, Leicester Charity Organisation Society transferred £25,000 from the unrestricted fund to the designated property fund to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034.

21 Lease commitments

The Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2024	2023
	£49,896	£34,996

The Charity

At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:.

	2024	2023
	£25,945	£11,045

22 Financial Guarantees

The Charitable company has guaranteed the lease payments of The Goods Depot Limited on the leasehold premises from which that company operates. At 31 March 2024 the lease commitment amounted to £8,451.

23 Reconciliation of net income to net cash flow from operations

	2024	2023
Net movement in funds	(270)	232,355
Depreciation of tangible fixed assets	15,256	15,256
Loss on investments	(3,029)	3,034
Investment income	(43,390)	(22,479)
(Increase)/Decrease in stock	(2,969)	(4,171)
Decease/(Increase) in debtors	99,953	209,593
(Decrease) in creditors	(12,405)	(44,716)
Net cash inflow/(outflow) from operations	£53,146	£388,872

24 Analysis of changes in net funds

The charity had no debt during the year.

LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales - Charity number 1078271

Accounts

Charity Registration No. 1078271

Company Registration No. 03761954 (England and Wales)

LEICESTER CHARITY ORGANISATION SOCIETY TRUSTEES REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

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LEICESTER CHARITY ORGANISATION SOCIETY

LEGAL AND ADMINSTRATIVE DETAILS

Trustees	A H Jarvis *(Treasurer)* G Oliver C A Pharoah C E Smith *(Chairman)* Prof S M Sharma C T Saul C E Shevas H Sahota
Chief Executive Officer (CEO)	Mrs S McEniff
Secretary and Deputy CEO	J A Munton
Charity number	1078271
Company number	03761954
Registered office and principal address	20a Millstone Lane Leicester LE1 5JN
Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank PLC 7 High Street Leicester LE1 9FS
Investment Advisors	Rowley-Turton (IFA) Limited Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Subsidiary Undertaking	The Goods Depot Limited Sandown Court Station Road Glenfield Leiceste LE3 8BT

LEICESTER CHARITY ORGANISATION SOCIETY

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and Accounting and Reporting by Charities. Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Administration Details

Leicester Charity Organisation Society, known as Charity Link, is a registered Charity and a Company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office is as shown on Page 1.

The Directors, who act as Trustees, are shown on Page 1 together with the names of the principal external advisors.

Structure, Governance and Management

The governing document of the Charity is the Memorandum and Articles of Association incorporated on 28 April 1999 and amended by a special resolution on 30 October 2006.

Organisation

A board of Trustees, who meet quarterly, administer the Charity. A Chief Executive Officer (CEO) is appointed by the Trustees to manage the day-to-day operations of the Charity.

Governance

The board of Trustees are committed to good governance and has adopted the Charity Governance Code. The Trustees believe that strong governance is essential for the effective operation of the Charity and the trust of donors and beneficiaries. As part of the commitment, the Trustees have taken steps to comply with the principles and recommendations outlined in the Code and will continually assess and improve governance practices in line with the Code.

Policies and procedures for induction and training of Trustees

New Trustees are appointed in accordance with the organisation's Articles of Association. They are also encouraged to meet with the Chairman and CEO at the Charity's offices where they are provided with background information about the work carried out and introduced to the staff and volunteers. New Trustees are also offered training through local agencies in the role and responsibility of Trustees and good governance. An induction pack is given to each new Trustee containing the organisation's Memorandum and Articles of Association, together with information on the duties of Trustees and the latest published accounts and annual report.

Related parties

The Charity has common key personnel with R Daphne Plunket Charitable Trust, Leicester Indigent Old Age Society and the Mansion Trust (UK). Charity Link administers these charities. All other related parties and transactions can be found in note 19 of the Financial Statements.

Risk factors

The Trustees have continued to assess the major risks to which the Charity and group is exposed and are satisfied that systems are in place to mitigate exposure to the major risks which include economic volatility, inflation and the cost of living crisis.

Remuneration

The Finance and Remuneration Sub-Committee recommend to the Board of Trustees the annual pay awards for staff, including any performance-related enhancements in pay. The Board of Trustees is responsible for adopting those recommendations. Regular reviews of employee compensation are undertaken to ensure that the Charity remains competitive and responsive to the ever-changing economic environment. As part of this effort, cost of living pay increases were implemented during the financial year. The Trustees believe this demonstrates their commitment to the staff team, but also helps maintain a motivated and stable workforce, ultimately contributing to the continued success of our charitable endeavours.

Objectives and Activities

The Charity's objects are to relieve poverty and the distress arising therefrom but not exclusively by:

- the provision of charitable and other grants.
- the provision of welfare benefits and budgeting advice.
- the provision of information and training for other agencies regarding welfare benefit claims.
- the provision of services (including trust administration) to assist charities in conducting their affairs.
- to facilitate co-operation between charities and other welfare agencies.
- to influence social policy makers and service providers.

Charity's aims

Charity Link's aim is to help ameliorate the lives of those people that are disadvantaged by financial hardship through the distribution of charitable grants and other services. The Charity provides an expert gateway to enable these people to access grants from the vast array of occupational, illness related and benevolent funds across the UK that are available to help people in need.

Strategies to achieve main objectives for the year.

The strategies employed to assist the Charity to meet these objectives included the following:

- providing charitable grants to individuals in need
- providing charitable grants to projects working with disadvantaged people
- working in partnership with other agencies to maximise financial help available to beneficiaries.

Criteria by which Charity measures its success.

The Charity measures its success in the reporting period by reference to the achievement of grant income, expenditure control, the number of referrals and the social impact which its work has on beneficiaries.

Grant making policy.

The Charity receives referrals from health, social care and educational agencies, charities, and individuals. It raises grants to meet the needs of the most needy and vulnerable people in the community by raising funding from local and national charities and benevolent funds.

Significance of volunteer staff

Volunteers play a significant role in the success of the Charity and the Trustees are immensely grateful for the dedication and commitment of our volunteer staff. Although numbers have not returned to pre-pandemic times, the Charity intends to increase the number of volunteers within the organisation in the coming year.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people we support and enable those with responsibility in the sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

Achievements and Performance

The principal focus of the Trustees over the last year was to deliver the Charity's objectives as the cost-of-living crisis continued, creating considerable need among service users. In order to do so, the Charity had to remain financially stable while, simultaneously, meeting the need from service users. This was achieved with an effective team response from trustees, staff and volunteers. Grants to individuals in need were £1,653,835 in the year, compared to £1,769,626 in the prior year, a reduction of 6.5%. The total number of grants made decreased to 7,918 from 8,016 in the year to March 2022. These grants helped disadvantaged individuals and families, as well as institutions working with such people. A number of hardship support funds were managed by the Charity during the year. These helped to reduce the continued impact of the pandemic on vulnerable people in the communities we serve and formed part of the steadfast response by the Charity to an unprecedented set of external circumstances.

A grant program was funded for a third year by Octopus Energy as part of the Warm Homes Initiative. The Charity also assisted Leicester City Council and Leicestershire County Council deliver its Hardship Support grants scheme. This combination of grant programs supported the response to the to the cost-of-living crisis.

Our thanks go to all those charities, local authorities, companies and individuals which helped us support the most vulnerable members of our community through another challenging period.

During the year the investment portfolio was amended so that it reflects a more socially responsive strategy.

In achieving our objectives, the factors inside the control of the Charity are performances against targets for funding received under grant agreements with the local authorities and Clinical Commissioning Groups; maintaining service standards for trusts under our administration; and the continued development of our IT systems, in order to reduce core costs and assist with proactive fundraising. The factors outside of our control are continued insecurity over funding from the local authorities and the NHS Leicester, Leicestershire and Rutland Integrated Care Boards, reduced income from donations and Trusts, resulting from the impact on the fundraising climate, economic volatility, inflation and the cost-of-living crisis. The trading arm, The Goods Depot Limited, which, opened in 2019 to supply low-cost domestic appliances to the Charity's beneficiaries, remained operational throughout the year. The objectives of the Good Depot Limited are to assist a greater number of service users and improve the Charity's environmental impact. Any profits from the subsidiary company will be gifted to the Charity to contribute to long-term sustainability.

Fundraising activities

The Charity is registered with the Fundraising Regulator. Fundraising activity includes subscriptions, individual donations, events, legacy giving, community fundraising, trust fundraising, corporate giving and through merchandise sales. A fundraising target of £205,000 for the general administration of the Charity was set for the year. This was exceeded following a full return to the events programme and community giving, two legacies received in the period and an uplift in corporate sponsorship.

Investment policy

The Trustees have the power to invest in such assets as they deem appropriate.
As permitted by the Charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

Investment income

The income from the Leicester Children's Aid Association investments is distributed by the Charity to assist children in need in the area of benefit of the Association, thus meeting its charitable objects. Those funds contribute to the relief of poverty objective of the Charity through the provision of grants to assist poor children and young people in Leicester through educational and other awards.

Financial Review

Accounting Year
The Charity has prepared accounts to 31 March 2023

Review of activities

During the year the Charity had total incoming resources of £2,126,269 (2022: £1,862,545) and there was a net increase in funds of £232,355 (2022: £590 net decrease). The total restricted funds at the end of the period amounted to £286,662 (2022: £137,590), endowment funds amounted to £72,958 (2022: (£75,992) and unrestricted funds (not designated for specific purposes) amounted to £322,005 (2022: £295,688). Note 16 to the accounts shows unrestricted fixed assets of £143,095 (2022: £150,000); free reserves, as defined by SORP 2015, were, therefore, in surplus by £178,910 after taking account of the pension deficit liability of £25,000 (2022: £590 - deficit after pension deficit liability of £39,000).

Reserves policy

It is the policy of the Charity that free reserves should be maintained at a level equivalent to six months unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. The FRS 102 requirement to show the long-term pension deficit as a creditor in the accounts has had a detrimental effect on the charity's reserves reducing them below the level set in the reserves policy. However, the charity does have adequate cash to achieve the policy aim and it should be noted that the pension deficit poses no threat to the gong concern of the Charity as it is covered by a long-term repayment plan and does not affect short-term cash flow.

It is the aim of the Charity that a sum be added to a designated property fund in each year provided that a sufficient operating surplus or free reserves warrant this. This fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. The Trustees consider that, in this financial year, unrestricted funds are sufficient to allow an amount of £60,000 to be transferred.

Principal funding sources

Aside from funds secured on behalf of service users, the principal sources in the year were income from fundraising and grant aided arrangements with Leicester City Council, Leicestershire County Council and the NHS Leicester, Leicestershire and Rutland Integrated Care Boards. Grants were also received from a number of local and national charities to assist with the running costs of the Charity. In meeting the key objectives of the Charity some £1,358,207 was paid by way of grants to service users and a further 162 grants totalling £295,932 were remitted directly by the donor charity to individual service users following referral by ourselves.

Plans for Future Years

The Trustees are committed to continue seeking out and giving grants to individuals and institutions, in a similar way to the recent past, and in order to relieve poverty and distress in Leicestershire, Northamptonshire and Rutland. They will endeavour to ensure that help is provided across all areas and that no one area will have priority for funding. The Trustees are, however, aware that some groups of beneficiaries remain under-represented in their grant giving and the cost-of-living crisis will have a far-reaching impact on households within the community, efforts will be made to address this in the coming year. During the year the Charity continued work in Northamptonshire, and it is the intention of the Trustees to undertake similar initiatives in other areas of the East Midlands should the opportunity arise. An important part of expanding the geographical reach of the Charity is its trading arm, The Goods Depot Limited. The Trustees intend to continue to scale up the trading of The Goods Depot Limited over the coming year in order that it achieves sustained profitability and becomes a net contributor to the Charity's operating income.

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Leicester Charity Organisation Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor
A resolution proposing that Somerbys Limited be re-appointed as auditor of the charitable company and the group will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board of Trustees.

CE Smith
Chairman Clive Smith
Clive Smith (Nov 30, 2023 17:43 GMT)

28 November 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Opinion

We have audited the financial statements of Leicester Charity Organisation Society (the parent company and its subsidiary) for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable company 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 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.

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 financial statements are 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or the group, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's and group's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester Charity Organisation Society, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester Charity Organisation Society and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor) ……..
For and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2023

Current year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2023
Income from:						
Voluntary Income	**2**	327,869	1,504,863	-	-	1,832,732
Administration fees		87,324	-	-	-	87,324
Investment income	**3**	19,628	2,851	-	-	22,479
Incoming resources from charitable activities	**4**	145,684	27,690	-	-	173,374
Other trading income		10,360	-	-	-	10,360
Total income		590,865	1,535,404	-	-	2,126,269
Expenditure on:						
Raising funds	**5**	84,237	435	-	-	84,672
Charitable Activity						
Relief of poverty	**5**	420,311	1,385,897	-	-	1,806,208
Total expenditure		504,548	1,386,332	-	-	1,890,880
Realised gain/(loss) on Investment assets		-	-	-	(3,928)	(3,928)
Unrealised gain/(loss) on investment assets	**16**	-	-	-	894	894
Net income/(expenditure)		86,317	149,072	-	(3,034)	232,355
Transfers between funds	**20**	(60,000)	-	60,000	-	-
		26,317	149,072	60,000	(3,034)	232,355
Net movement in funds		26,317	149,072	60,000	(3,034)	232,355
Fund balances at 31 March 2022		295,688	137,590	140,000	75,992	649,270
Fund balances at 31 March 2023		£322,005	£286,662	£200,000	£72,958	£881,625

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

See page 13 for corresponding figures for 2022.

LEICESTER CHARITY ORGANISATION SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2022

Prior year	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2022
Income from:						
Voluntary Income	**2**	306,672	1,308,840	-	-	1,615,512
Administration fees		67,116	-	-	-	67,116
Investment income	**3**	15,635	2,656	-	-	18,291
Incoming resources from charitable activities	**4**	127,343	20,442	-	-	147,785
Other trading income		13,841				13,841
Total income		530,607	1,331,938	-	-	1,862,545
Expenditure on:						
Raising funds	**5**	87,811	489	-	-	88,300
Charitable Activity						
Relief of poverty	**5**	422,715	1,448,776	-	-	1,871,491
Total expenditure		510,526	1,449,265	-	-	1,959,791
Realised gain/(loss) on Investment assets		-	-	-	-	-
Unrealised gain/(loss) on investment assets	**16**	-	-	-	2,656	2,656
Net income/(expenditure)		20,081	(117,327)	-	2,656	(94,590)
Transfers between funds	**20**	(15,000)	-	15,000	-	-
		5,081	(117,327)	15,000	2,656	(94,590)
Other recognised gains and losses						
Pension deficit adjustment	**14**	94,000	-	-	-	94,000
Net movement in funds		99,081	(117,327)	15,000	2,656	(590)
Fund balances at 31 March 2021		196,607	254,917	125,000	73,336	649,860
Fund balances at 31 March 2022		£295,688	£137,590	£140,000	£75,992	£649,270

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

LEICESTER CHARITY ORGANISATION SOCIETY

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2023

Group	Notes		2023	2022
Fixed assets				
Tangible assets	**9**		143,095	150,000
Investments	**10**		70,851	75,218
			213,946	225,218
Current assets				
Stock	**11**	18,034		13,863
Debtors	**12**	202,314		411,907
Cash at bank and in hand		644,268		239,933
		864,616		665,703
Creditors: amounts falling due within one year	**13**	(185,937)		(216,651)
Net current assets			678,679	449,052
Creditors: amounts falling due after one year	**14**		(11,000)	(25,000)
Total assets			£881,625	£649,270
Capital fund				
Endowment	**17**		72,958	75,992
Designated funds	**18**		200,000	140,000
Income funds				
Restricted funds	**15**		286,662	137,590
Unrestricted funds			322,005	295,688
			£881,625	£649,270

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

These accounts were approved by the Trustees on 28 November 2023.

Signed on behalf of the Trustees,

Clive Smith

Clive Smith (Nov 30, 2023 17:43 GMT)

CE Smith
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

BALANCE SHEET
AT 31 MARCH 2023

Company	Notes		2023	2022
Fixed assets				
Tangible assets	**9**		143,095	150,000
Investments	**10**		70,851	75,218
Investment in subsidiary	**10**		100	100
			214,046	225,318
Current assets				
Debtors	**12**	244,404		454,964
Cash at bank and in hand		607,727		212,062
		852,131		667,026
Creditors: amounts falling due within one year	**13**	(154,001)		(161,410)
Net current assets			698,130	505,616
Creditors: amounts falling due after one year	**14**		(11,000)	(25,000)
Total assets			£901,176	£705,934
Capital fund				
Endowment	**17**		72,958	75,992
Designated funds	**18**		200,000	140,000
Income funds				
Restricted funds	**15**		286,662	158,244
Unrestricted funds			341,556	331,698
			£901,176	£705,934

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

These accounts were approved by the Trustees on 28 November 2023.

Signed on behalf of the Trustees,

Clive Smith
Clive Smith (Nov 30, 2023 17:43 GMT)

CE Smith
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

STATEMENT OF CONSOLIDATED CASHFLOWS
YEAR ENDED 31 MARCH 2023

	Notes	2023	2022
Cash flow from operating activities			
Cash generated/(used) in operations	**23**	388,872	(166,151)
Net cash flow from operating activities		388,872	(166,151)
Cash flow from investing activities			
Payments to acquire assets		(8,351)	-
Payments to acquire investments		(66,834)	(3,197)
Receipts from sales of investments		68,169	-
Investment income received		22,479	18,291
Net cash flow from investing activities		15,463	15,094
Net increase in cash and cash equivalents		404,335	(151,057)
Cash and cash equivalents at 31 March 2022		239,933	390,990
Cash and cash equivalents at 31 March 2023		£644,268	£239,933
Cash and cash equivalents consists of:			
Cash at bank and in hand		644,268	239,933
Cash and cash equivalents at 31 March 2023		£644,268	£239,933

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Account 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic or Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements of the group are prepared under the historical cost convention, modified to include listed investments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and the group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. There have been no changes to accounting estimates during the reporting year.

The Charity has taken advantage of the small company provisions of the Companies Act 2006.

1.2 Going concern

The financial statements of the charity have been prepared on a going concern basis. The trustees have considered the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Subsidiary

The financial statements of the Goods Depot Limited have been prepared on the going concern basis. The financial statements have been prepared on this basis on the assumption of continued support of the Charity.

1.3 Recognition of income

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and is probable that they will be fulfilled.

Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the year for which it has been received.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from local government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Investment income is recognised when the amount can be measured reliably.

Income of subsidiary
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into accounts trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Expenditure recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorized under the following headings:

- Costs of raising funds; which are the costs of generating incoming resources from all sources other than from charitable activities.

- Charitable activities; which are all the costs applied by the charity in undertaking its work to meet its charitable objectives.

Grants payable to third parties are within the charities objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled are outside of the control of the charity.

1.5 Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	-	straight line over the period of the lease
Fixtures, fittings & equipment	-	33% per annum of cost
Motor vehicles	-	33% per annum of cost

1.6 Impairment of fixed assets
At each reporting period end date, the charitable company reviews the carrying amounts of tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.7 Fixed asset Investments
Investments are stated at fair value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where appliable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.9 Cash and cash equivalents

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

1.10 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Pensions

The Charity partakes in a multi-employer pension scheme for the benefit of its employees which is independently administered by The Pensions Trust. The assets and liabilities of the fund are detailed at note 14.

In addition, the Group also operates a defined contribution pension scheme for the benefit of its employees which is independently administered. The expenses of the scheme are charged to the SOFA as and when they fall due.

1.12 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purpose.

1.13 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for specific purposes. The costs of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are retained for the benefit of the charity as a capital fund. The fund consists of investments that are used for the purpose of the charity.

Designated funds are funds which are set aside from the unrestricted funds by the trustees for specifically designated purposes. The aim and use of each designated fund is set out in the notes to the accounts.

1.14 Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the discounted amount expected to be paid in exchange for that service.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognized at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognized in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognized in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognized as a liability.

1.17 Critical accounting estimates and judgements

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets

Support cost allocations:

Support costs are apportioned as they relate to more than one cost category (see note 5).

2 Voluntary income	Unrestricted funds	Restricted funds	2023	2022
Core grants	-	1,504,363	1,504,363	1,308,340
Donations, subscriptions and discounts received	64,313	500	64,813	55,118
Income from fundraising	223,099	-	223,099	227,066
Legacies	40,457	-	40,457	24,988
	£327,869	£1,504,863	£1,832,732	£1,615,512

3 Investment income	Unrestricted funds	Restricted funds	2023	2022
Rental income	14,800	-	14,800	14,800
Income from listed investments	951	2,821	3,772	3,446
Interest receivable	3,877	30	3,907	45
	£19,628	£2,851	£22,479	£18,291

4 Incoming resources from charitable activities

Grants receivable for charitable activities	2023	2022
Unrestricted funds:		
Leicester City Council	89,362	82,239
Leicestershire County Council	14,711	15,085
Warm Homes Initiative	41,611	30,019
	£145,684	£127,343
Restricted funds:		
Leicester City Council	12,380	11,506
Leicestershire County Council	11,289	4,915
Leicester, Leicestershire and Rutland Integrated Care Board	4,021	4,021
	£27,690	£20,442
Total	£173,374	£147,785

The Charity receives income from local government to assist individuals in identifying support funding to which they may be entitled.

5 Total resources expended

The trust allocates its support costs as shown in the table below. Support costs are allocated on a basis of staff time.

	Staff Costs (note 7)	Depreciation (note 9)	Other Costs (note 8)	Total 2023	Total 2022
Costs of generating funds:					
Fundraising and publicity	70,430	-	14,242	84,672	88,300
Charitable Activity – Relief of Poverty:					
Donations in kind	-	-	314,631	314,631	269,495
Inter-group transactions	-	-	(441,118)	(441,118)	(380,642)
Grants payable (note 6)	-	-	1,358,207	1,358,207	1,428,334
Employment costs	430,036	-	-	430,036	399,131
Administration costs	-	15,256	129,196	144,452	155,173
	430,036	15,256	1,360,916	1,806,208	1,871,491
	£500,466	£15,256	£1,375,158	£1,890,880	£1,959,791

Donations in kind represent purchases of white goods from the subsidiary company the Goods Depot Limited which are donated as grants to individuals

Included in the above administration costs is:	2023	2022
Auditor's remuneration	£11,910	£11,818

6 Grants payable	2023	2022
Grants to institutions - 2 (2022 – 2 grants)	304	7,000
Grants to individuals - 7,756 (2022 – 7,792 grants)	1,357,903	1,421,334
	£1,358,207	£1,428,334

In addition to the above grants administered through the Society, a further 162 awards totalling £295,932 were secured on behalf of individuals and institutions. These grants were remitted directly by the donors to the beneficiaries.

Grants to institutions	2023	2022
Age UK Leicestershire and Rutland	-	6,000
Charity Link	-	1,000
Parkinsons Disease Society	654	-
Kemp Hospice	150	-
Grants refunded	(500)	-
	£304	£7,000

7 Employees	2023	2022
	Number	Number
Number of employees		
The average monthly number of employees during the year was:	22	21
The number of part time employees was	18	14
Employment costs		
Wages and salaries	430,735	415,687
Social security costs	29,449	29,639
Other pension costs	40,282	25,924
	£500,466	£471,250

The number of employees whose annual remuneration was more than £60,000 per annum or was:

	2023	2022
	Number	Number
£60,000 to £70,000	1	0

The Charity considers its key management personnel to consist of the CEO, Deputy CEO and Operations Manager The remuneration and benefits paid to these personnel totalled £153,839 (2022 - £143,108).

None of the Trustees (or any person connected with them) received any remuneration during this year.
A trustee was reimbursed for travel expenses during the year to the amount of £35 (2022 - £43).

8 Other costs

Fundraising and publicity	2023	2022
Promotion expenses	13,807	15,692
Investment management fees	435	489
	£14,242	£16,181

Charitable activity administration costs		
Rent and rates	16,045	18,102
Insurance	4,655	4,400
Light and heat	6,122	7,540
Repairs and maintenance	5,219	17,019
Stationery	6,904	6,069
Telephone and fax	5,259	5,151
Travelling expenses	13,335	9,921
Legal and professional	22,592	13,991
Sundry expenses	2,070	4,392
Recruitment expenses	2,576	1,554
Subscriptions	1,442	1,456
Bank charges	1,595	1,927
Cleaning	6,455	5,447
Computer expenses	17,067	25,154
Health and safety	592	536
Staff training	1,153	1,755
Postage	4,205	2,170
Auditor’s remuneration	11,910	11,818
	£129,196	£138,402

9 **Group**
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
Cost/Valuation				
At 31 March 202	237,500	38,633	16,640	292,773
Additions	-	8,351	-	8,351
Disposal	-	-	-	-
At 31 March 2023	£237,500	£46,984	£16,640	£301,124
Depreciation				
At 31 March 2022	87,500	38,633	16,640	142,773
Charge for the year	12,500	2,756	-	15,256
Eliminated on disposal	-	-	-	-
At 31 March 2023	£100,000	£41,389	£16,640	£158,029
Net book value				
At 31 March 2023	£137,500	£5,595	£Nil	£143,095
At 31 March 2022	£150,000	£Nil	£Nil	£150,000

Company
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Total
Cost/Valuation			
At 31 March 2022	237,500	38,633	276,133
Additions	-	8,351	8,351
Disposal	-	-	-
At 31 March 20232	£237,500	£46,984	£284,484
Depreciation			
At 31 March 2022	87,500	38,633	126,133
Charge for the year	12,500	2,756	15,256
Eliminated on disposal	-	-	-
At 31 March 2023	£100,000	£41,389	£141,389
Net book value			
At 31 March 2023	£137,500	£5,595	£143,095
At 31 March 2022	£150,000	£Nil	£150,000

10 Fixed asset investments

Charity
Listed investments

Market value at 31 March 2022	75,218
Acquisitions at cost	66,834
Disposals at opening book value	(72,095)
Net unrealised gain on revaluation	894
Market value at 31 March 2023	£70,851
Historical cost:	
At 31 March 2023	£69,967
Historical cost:	
At 31 March 2022	£65,703

All investments were held in the United Kingdom. The Trustees consider that there were no individual material investments held at the end of the year. Listed investments are valued at market value at the year end.

Subsidiaries
Details of the company's subsidiary at 31 March 2023 are as follows:

Name of undertaking	Registered office	Company No	Class of shares held	% Held
The Goods Depot Limited	UK	11581108	Ordinary	100

Results for the year

Income	449,078
Expenditure	(432,619)
Profit before taxation	£16,459
Total Assets	£65,743
Total Liabilities	£85,192

11 Stocks

	Group		Charity	
	2023	2022	2023	2022
Goods for resale	£18,034	£13,863	£-	£-

12 Debtors

	Group		Charity	
	2023	2022	2023	2022
Trade debtors	186,948	368,854	186,777	358,668
Income recoverable	3,581	29,370	3,581	29,370
Amount owed by subsidiary undertaking	-	-	53,257	62,838
Prepayments	11,785	13,683	789	4,088
	£202,314	£411,907	£244,404	£454,964

13 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
Trade creditors	125,908	160,404	111,903	141,619
Taxes and social security costs	19,169	10,591	7,000	-
Other creditors	5,922	3,079	160	-
Accruals and deferred income	20,938	28,577	20,938	5,791
Pension deficit	14,000	14,000	14,000	14,000
	£185,937	£216,651	£154,001	£161,410

14 Pension costs

The Charity
The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

The charity participates in a multi – employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2023	2022
Liability at 1 April 2022	39,000	178,000
Unwinding of the discount factor (interest expense)	1,000	1,000
Deficit contributions paid	(14,000)	(45,000)
Re-measurements – impact of any change in assumptions	(1,000)	(1,000)
Re-measurements – amendment to the contributions schedule	-	(94,000)
Balance sheet liability at 31 March 2023	£25,000	£39,000
Due within 1 year	£14,000	£14,000
Due after 1 year	£11,000	£25,000
Amounts payable by instalments after 5 years	-	-

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2023	March 2022	March 2021	March 2020
Discount rate applied to future recovery plan contributions due	5.52%	2.35%	0.66%	2.53%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds, all of the costs have been charged to unrestricted funds for this year and for previous years.

The subsidiary
The Goods Depot Limited operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Restricted funds

2023

	Balance 1 April 2022	Incoming Resource	Resources Expended	Balance 31 March 2023
Carlton Hayes Mental Health Charity	3,763	36,000	34,675	5,088
Funds held for other charitable institutions	1,420	1,308	304	2,424
Leicester Children's Aid Association	3,837	3,351	4,184	3,004
Other funds held for distribution to the needy	128,570	1,467,055	1,319,480	276,146
Local authorities and CCG	-	27,690	27,690	-
	£137,590	£1,535,404	£1,386,332	£286,662

2022

		Movement in funds			
	Balance 1 April 2021	Incoming Resource	Resources Expended	Grants awarded but unspent	Balance 30 March 2022
Carlton Hayes Mental Health Charity	38,070	36,000	70,307	-	3,763
Funds held for other charitable institutions	8,420	-	7,000	-	1,420
Leicester Children's Aid Association	7,715	3,156	7,034	-	3,837
Other funds held for distribution to the needy	200,712	1,272,340	1,323,828	20,654	128,570
Local Authorities and CCGs	-	20,442	20,442	-	-
	£254,917	£1,331,938	£1,428,611	£20,654	£137,590

15 Restricted funds (continued)

- The Carlton Hayes Mental Health Charity makes grants for people in need living in Leicestershire and Rutland who are experiencing mental health problems
- The funds held for other charitable institutions are block grant arrangements with companies and individual donors which help institutions engaged in charitable activities
- Leicester Children's Aid Association assists children and young people resident in the city of Leicester under the age of 18 with grants to promote their education and welfare.
- Leicester City Council and Leicestershire County Council support the activities of the charity in order to reduce poverty and distress in the city of Leicester and county of Leicestershire respectively. The three Clinical Commissioning Groups operating in Leicestershire and Rutland support the activities of the charity in seeking out funding for equipment, aids and adaptions that help disabled people to retain their independence.

16 Analysis of net assets between funds

Group	Unrestricted fund	Restricted Fund	Designated Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
Fund balances at 31 March 2023 are represented by:						
Tangible fixed assets	143,095	-	-	-	143,095	150,000
Investments	-	-	-	70,851	70,851	75,318
Current assets	264,571	397,938	200,000	2,107	864,616	631,515
Creditors: amounts falling due within one year	(74,661)	(111,276)	-	-	(185,937)	(182,563)
Creditors: amounts falling due after one year	(11,000)	-	-	-	(11,000)	(25,000)
	£322,005	£286,662	£200,000	£72,958	£881,625	£649,270
Company Fund balances at 31 March 2023 are represented by:						
Tangible fixed assets	143,095	-	-	-	143,095	150,000
Investments	100	-	-	70,851	70,951	75,318
Current assets	252,086	397,938	200,000	2,107	852,131	688,179
Creditors: amounts falling due within one year	(42,725)	(111,276)	-	-	(154,001)	(182,563)
Creditors: amounts falling due after one year	(11,000)	-	-	-	(11,000)	(25,000)
	£341,556	£286,662	£200,000	£72,958	£901,176	£705,934

				Endowment Funds 2023	Total Funds 2023	Total Funds 2022
Unrealised gains/(losses) included above:						
On investments (see below)				£894	£894	9,515
Reconciliation of movements in unrealised Gains/(losses) on investment assets						
Unrealised gains at 1 April 2022	-	-	-	9,915	9,915	6,859
Deduct in respect of disposals in year	-	-	-	(9,915)	(9,915)	-
	-	-	-	-		6,859
Net increase arising in year	-	-	-	894	894	2,656
Unrealised gain 31 March 2023	£-	£-	£-	£894	£894	£9,515

17 Endowment funds

The Endowment Funds relate to Leicester Children's Aid Association which was transferred into the Charity on 29 October 2007 together with the net funds of Connection, another locally based Charity which merged with Leicester Children's Aid Association in 2008.

18 Designated funds

The designated property fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. During the year £60,000 was transferred to the fund.

19 Related Party Transactions

During the year, administration fees and grants were received from the following charities in which some or all of the Trustees of Leicester Charity Organisation Society are also Trustees:-

	2023 £	2022 £
Leicester Indigent Old Age Society	7,065	4,537
The Mansion Trust (UK)	3,088	2,443
The Nicholson Memorial Fund (Rosehill Trust)	15,914	14,547
R Daphne Plunket Charitable Trust	104,283	78,352
Edward Wood Poor Widows	4,636	1,372
Alderman Newton's Educational Foundation	24,875	15,832

At the year end the charity was owed £2,436 by R Daphne Plunket Charitable Trust (2022 - £1,878) and £1,469 by The Nicholson Memorial Fund (2022 - £nil)

There was no trustees remuneration paid.

20 Transfer between funds

During the year, Leicester Charity Organisation Society transferred £60,000 from the unrestricted fund to the designated property fund to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034.

21 Lease commitments

The Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023	2022
	£34,996	£53,652

The Charity

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023	2022
	£11,045	£14,201

22 Financial Guarantees

The Charitable company has guaranteed the lease payments of The Goods Depot Limited on the leasehold premises from which that company operates. At 31 March 2023 the lease commitment amounted to £23,951.

23 Reconciliation of net income to net cash flow from operations

	2023	2022
Net movement in funds	232,355	(590)
Depreciation of tangible fixed assets	15,256	16,771
Loss on investments	3,034	(2,656)
Investment income	(22,479)	(18,291)
(Increase)/Decrease in stock	(4,171)	2,878
Decease/(Increase) in debtors	209,593	(100,893)
(Decrease) in creditors	(44,716)	(63,370)
Net cash inflow/(outflow) from operations	£388,872	(£166,151)

24 Analysis of changes in net funds

The charity had no debt during the year.

The Trustees
Leicester Charity Organisation Society
20a Millstone Lane
Leicester
LE1 5JN

28 November 2023

Somerbys Limited
Chartered Accountants
30 Nelson Street
Leicester
LE1 7BA

Dear Sirs

Financial Statements for the year ended 31 March 2023

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Leicester Charity Organisation Society's financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 11 November 2019, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

2 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.

3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.

4 The financial statements are free of material misstatements, including omissions.

5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

6 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities.

7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.

8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

9 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.

10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Loans and arrangements

13 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We also confirm our plans for future actions required to enable the charitable company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Corporation tax

20 We confirm that the trustees consider the trading income from administration fees to fall inside the primary purpose of the charity and therefore confirm that the charity is not subject to corporation tax on the profits arising from this income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make themself aware of any relevant audit information and to establish that you are aware of that information.

We hereby authorise you to extract the relevant information from the company's financial statements for the year to 31 March 2023 and to submit it electronically to H M Revenue & Customs.

Yours faithfully

On behalf of the board

Clive Smith
Clive Smith (Nov 30, 2023 17:43 GMT)
.....DIRECTOR/TRUSTEE

28 November 2023

…….. TRUSTEE
Leicester Charity Organisation Society – Co. no. 03761954

Trustees: C E Smith, A H Jarvis, C Pharoah, C E Shevas, C T Saul, Prof S M Sharma, G Oliver, H Sahota.

Appendix 1

Closing schedule of unadjusted Items

	£
Overstatement of administration income	(4,140)
	(4,140)

If the above adjustments had been made the net effect on the reported results would be to reduce the surplus/net movement in funds by £4,140.

The Trustees
Leicester Charity Organisation Society
20a Millstone Lane
Leicester
LE1 5JN

28 November 2023

Somerbys Limited
Chartered Accountants
30 Nelson Street
Leicester
LE1 7BA

Dear Sirs

Financial Statements for the year ended 31 March 2023

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We hereby authorise you to extract the relevant information from the company's financial statements for the year to 31 March 2023 and to submit it electronically to H M Revenue & Customs.

Yours faithfully

On behalf of the board

Clive Smith
Clive Smith (Nov 30, 2023 17:43 GMT)
.....DIRECTOR/TRUSTEE

28 November 2023

…….. TRUSTEE
Leicester Charity Organisation Society – Co. no. 03761954

Trustees: C E Smith, A H Jarvis, C Pharoah, C E Shevas, C T Saul, Prof S M Sharma, G Oliver, H Sahota.

Leicester Charity Organisation Society Limited

Appendix 1

Closing schedule of unadjusted Items

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	(4,140)

If the above adjustments had been made the net effect on the reported results would be to reduce the surplus/net movement in funds by £4,140.

The Goods Depot Limited

Appendix 1 – summary of uncorrected misstatements

	£
Purchased understated due to cut off error	(5,775)
Stock understated for goods in transit	5,019
Net uncorrected misstatements	**(£756)**

The Trustees
Leicester Charity Organisation Society
20a Millstone Lane
Leicester
LE1 5JN

28 November 2023

Somerbys Limited
30 Nelson Street
Leicester
LE1 7BA

Dear Sirs,

Parent Undertaking Letter of Comfort

We refer to the advance of funds (facility) made by Leicester Charity Organisation Society (the Lender) to The Goods Depot Limited (the Borrower). As at 31 March 2023 the balance amounted to £115,006.

For the purposes of the facility and your sole reliance, we confirm as follows:

- The Lender shall not call the facility for repayment before 28 November 2024.
- The Borrower is at present our wholly owned subsidiary.
- We currently ensure, and it is our present policy to ensure, that the Borrower, whilst our subsidiary, is managed in a manner that ensures that it retains sufficient finances and required resources to continue its business and that it maintains adequate financial resources.
- The Borrower maintains sound financial management and is in a position to meet its obligations to the Lender of the facility.

This Comfort Letter shall not under any circumstances be construed as a legally binding obligation or an undertaking or promise as to our future intention in relation to the Borrower but is a mere statement of our present policy only.

Yours faithfully

On behalf of the board

Clive Smith
Clive Smith (Nov 30, 2023 17:43 GMT)

…… DIRECTOR/TRUSTEE

Leicester Charity Organisation Society – Co. no. 03761954

Trustees: C E Smith, A H Jarvis, Miss C Pharoah, Mr C E Shevas, Mr C T Saul, Prof S M Sharma, Mr G Oliver, HK Sahota

30 Nelson Street
Leicester LE1 7BA

Tel: 0116 279 5700
advice@somerbys.co.uk
www.somerbys.co.uk

28 November 2023
MWD/AD/LEI072

The Trustees
Leicester Charity Organisation Society
20a Millstone Lane
Leicester
LE1 5JN

Dear Sirs

REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 March 2023 the following matters arose which we consider should be brought to your attention:

- The Goods Depot has made a profit in the year to 31 March 2023. The balance sheet, however, remains insolvent. As noted last year it is the responsibility of the Trustees to manage the trust and preserve the value of the assets of the Charity. This will involve balancing the competing interests of all the beneficiaries as well as investing the trust assets carefully. We understand that the aim is for the Goods Depot Limited to achieve solvency in the future and to make a contribution back to the charity. *We recommend that the trustees keep the financial performance of the Goods Depot under review and monitor the risk of financial loss via exposure from the loan account balance with the subsidiary.*

No other matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

This report has been prepared for the sole use of the trustees of Leicester Charity Organisation Society and must not be shown to third parties without our prior consent. No responsibilities are accepted by Somerbys Limited towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully

Somerbys Limited

LCOS Audited Accounts for signature

Final Audit Report 2023-11-30

Created:	2023-11-30
By:	Reception at Somerbys (Reception@Somerbys.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAWZzU4xnlPO3xrZaKCda8HkRqmVu24Yfo

"LCOS Audited Accounts for signature" History

Document created by Reception at Somerbys (Reception@Somerbys.co.uk)
2023-11-30 - 13:35:26 GMT- IP address: 109.73.121.116

Document emailed to clivesmith.thebarn@googlemail.com for signature
2023-11-30 - 13:43:07 GMT

Email viewed by clivesmith.thebarn@googlemail.com
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Signer clivesmith.thebarn@googlemail.com entered name at signing as Clive Smith
2023-11-30 - 17:43:45 GMT- IP address: 109.149.24.6

Document e-signed by Clive Smith (clivesmith.thebarn@googlemail.com)
Signature Date: 2023-11-30 - 17:43:47 GMT - Time Source: server- IP address: 109.149.24.6

Agreement completed.
2023-11-30 - 17:43:47 GMT

LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales - Charity number 1078271

Accounts

Charity Registration No. 1078271

Company Registration No. 03761954 (England and Wales)

LEICESTER CHARITY ORGANISATION SOCIETY TRUSTEES REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

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Consolidated Balance sheet	14
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LEICESTER CHARITY ORGANISATION SOCIETY

LEGAL AND ADMINISTRATIVE DETAILS

Trustees	A H Jarvis *(Treasurer)* G Oliver C A Pharoah C E Smith *(Chairman)* Prof S M Sharma C T Saul C E Shevas H Sahota
Chief Executive Officer (CEO)	Mrs S McEniff
Secretary and Deputy CEO	J A Munton
Charity number	1078271
Company number	03761954
Registered office and principal address	20a Millstone Lane Leicester LE1 5JN
Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank PLC 7 High Street Leicester LE1 9FS
Investment Advisors	Rowley-Turton (IFA) Limited Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Subsidiary Undertaking	The Goods Depot Limited Sandown Court Station Road Glenfield Leicester LE3 8BT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and Accounting and Reporting by Charities. Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Administration Details

Leicester Charity Organisation Society, known as Charity Link, is a registered Charity and a Company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office is as shown on Page 1.

The Directors, who act as Trustees, are shown on Page 1 together with the names of the principal external advisors.

Structure, Governance and Management

The governing document of the Charity is the Memorandum and Articles of Association incorporated on 28 April 1999 and amended by a special resolution on 30 October 2006.

Organisation

A board of Trustees, who meet quarterly, administer the Charity. A Chief Executive Officer (CEO) is appointed by the Trustees to manage the day-to-day operations of the Charity.

Policies and procedures for induction and training of Trustees

New Trustees are appointed in accordance with the organisation's Articles of Association. They are also encouraged to meet with the Chairman and CEO at the Charity's offices where they are provided with background information about the work carried out and introduced to the staff and volunteers. New Trustees are also offered training through local agencies in the role and responsibility of Trustees and good governance. An induction pack is given to each new Trustee containing the organisation's Memorandum and Articles of Association, together with information on the duties of Trustees and the latest published accounts and annual report.

Related parties

The Charity has common key personnel with R Daphne Plunket Charitable Trust, Leicester Indigent Old Age Society and the Mansion Trust (UK). Charity Link administers these charities. All other related parties and transactions can be found in note 19 of the Financial Statements.

Risk factors

The Trustees have continued to assess the major risks to which the Charity and group is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Covid 19 global pandemic has continued to impact the charity and group, causing ongoing disruption to normal patterns of business and delivery of services. Effective contingency planning enabled the organisation to make a swift transition to the remote provision of services at the start of the pandemic; a phased return to the office is now being implemented in line with government lifting of restrictions. Some ongoing safety measures will remain in place in order to provide continued protection to staff and clients.

Remuneration

The Finance and Remuneration Sub-Committee recommend to the Board of Trustees the annual pay awards for staff, including any performance-related enhancements in pay. The Board of Trustees is responsible for agreeing those recommendations.

Objectives and Activities

The Charity's objects are to relieve poverty and the distress arising therefrom, in particular, but not exclusively by:

- the provision of charitable and other grants;
- the provision of welfare benefits and budgeting advice;
- the provision of information and training for other agencies regarding welfare benefit claims;
- the provision of services (including trust administration) to assist charities in conducting their affairs;
- to facilitate co-operation between charities and other welfare agencies;
- to influence social policy makers and service providers.

Charity's aims

Charity Link's aim is to help ameliorate the lives of those people that are disadvantaged by financial hardship through the distribution of charitable grants and other services. The Charity provides an expert gateway to enable these people to access grants from the vast array of occupational, illness related and benevolent funds across the UK that are available to help people in need.

Strategies to achieve main objectives for the year

The strategies employed to assist the Charity to meet these objectives included the following:

- providing charitable grants to individuals in need
- providing charitable grants to projects working with disadvantaged people
- working in partnership with other agencies to maximise financial help available to beneficiaries

Criteria by which Charity measures its success

The Charity measures its success in the reporting period by reference to the achievement of grant income, expenditure control, the number of referrals and the social impact its work has on beneficiaries.

Grant making policy

The Charity receives referrals from health, social care and educational agencies, charities and individuals. It raises grants to meet the needs of the most needy and vulnerable people in the community by raising funding from local and national charities and benevolent funds.

Significance of volunteer staff

Normally, volunteers make a significant contribution to the Charity's activities, assisting with home visiting, promotion and the financial and general administration of the charity. However, following the lifting of the regulations brought in to combat the Covid-19 outbreak volunteer numbers have not fully returned to their previous levels. The Charity intends to increase the number of volunteers within the organisation in the coming year.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people we support and enable those with responsibility in the sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

Achievements and Performance

Achievement of objectives

The principal focus of the Trustees over the last year was to deliver the Charity's objectives as the Covid Pandemic continued, and the cost-of-living crisis emerged, created considerable need among service users. In order to do so, the Charity had to remain financially stable while, simultaneously, meeting increased demand from service users. This was achieved with an effective team response from trustees, staff and volunteers to what was an unprecedented external situation. Grants to individuals in need rose to £1,769,626 in the year, compared to £1,099,274 in the prior year, a 59% increase. The total number of grants made rose to 8,016 from 5,926 in the year to March 2021. These grants helped disadvantaged individuals and families, as well as institutions working with such people. A number of hardship support funds were managed by the Charity during the year. These helped to reduce the continued impact of the pandemic on vulnerable people in the communities we serve and formed part of the steadfast response by the Charity to an unprecedented set of external circumstances.

A grant program was funded for a second year by Octopus Energy as part of the Warm Homes Initiative. The Charity also assisted Leicester City Council and Leicestershire County Council deliver its Hardship Support grants scheme. This combination of grant programs helped substantially increase the number and value of grants it distributed in the year

Our thanks go to all those charities, local authorities, companies and individuals which helped us support the most vulnerable members of our community through another challenging period.

A further improvement in the value of investment assets reflected the general upturn in the stock market values.

In achieving our objectives, the factors inside the control of the Charity are performances against targets for funding received under grant agreements with the local authorities and Clinical Commissioning Groups; maintaining service standards for trusts under our administration; and the continued development of our IT systems, in order to reduce core costs and assist with proactive fundraising. The factors outside of our control are continued insecurity over funding from the local authorities and the Clinical Commissioning Groups, reduced income from donations and Trusts, resulting from the impact on the fundraising climate as the country emerges from Covid restrictions and fluctuations in the stock market. The trading arm, The Goods Depot Limited, which, opened in 2019 to supply low-cost domestic appliances to the Charity's beneficiaries, remained operational throughout the year. The objectives of the Good Depot Limited are to assist a greater number of service users and improve the Charity's environmental impact. Any profits from the subsidiary company will be gifted to the Charity to contribute to long-term sustainability.

Fundraising activities

As COVID-19 restrictions began to ease during the year, traditional fundraising activities were able to resume, including the flagship Leicestershire 3 Peaks Challenge. Events and community giving however did not returned to pre-pandemic levels. The challenging fundraising environment was forecast to have a significant impact on charitable income at the beginning of the year. Therefore, the Charity continued to engage in fundraising activities, where safe and legal to do so, and grasped other situational opportunities as they arose. These generated incoming resources to continue the funding of its charitable activities and meet its objects.

A fundraising target of £190,000 for the general administration of the Charity was set for the year. This was exceeded following an upturn in the fundraising environment as restrictions eased and a legacy gift was received during the period. Expenditure for future income generation included the printing of publicity material for fundraising purposes and various promotional activities.

Investment policy

The Trustees have the power to invest in such assets as they see fit.

As permitted by the Charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

Investment income

The income from the Leicester Children's Aid Association investments is distributed by the Charity to assist children in need in the area of benefit of the Association, thus meeting its charitable objects. Those funds contribute to the relief of poverty objective of the Charity through the provision of grants to assist poor children and young people in Leicester through educational and other awards.

Financial Review

Accounting Year

The Charity has prepared accounts to 31 March 2022

Review of activities

During the year the Charity had total incoming resources of £1,862,545 (2021: £1,577,844) and there was a net decrease in funds of £590 (2021: £246,468 increase). The total restricted funds at the end of the period amounted to £137,590 (2021: £254,917), endowment funds amounted to £75,992 (2021: £73,336) and unrestricted funds (not designated for specific purposes) amounted to £295,688 (2021:£196,607). Note 16 to the accounts shows unrestricted fixed assets of £150,000 (2021:£167,771); free reserves, as defined by SORP 2015, were therefore in surplus by £145,688 after taking account of the pension deficit liability of £39,000 (2021: £29,836 deficit after pension deficit liability of £178,000).

Reserves policy
It is the policy of the Charity that free reserves should be maintained at a level equivalent to six months unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. The FRS102 requirement to show the long-term pension deficit as a creditor in the accounts has had a detrimental effect on the

charity's reserves reducing them below the level set in the reserves policy. However, the charity does have adequate cash to achieve the policy aim and it should be noted that the pension deficit poses no threat to the gong concern of the Charity as it is covered by a long-term repayment plan and does not affect short-term cash flow.

It is the aim of the Charity that a sum be added to a designated property fund in each year provided that a sufficient operating surplus or free reserves warrant this. This fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. The Trustees consider that, in this financial year, unrestricted funds are sufficient to allow an amount of £15,000 to be transferred.

Principal funding sources
Aside from funds secured on behalf of service users, the principal sources in the year were income from fundraising and grant aided arrangements with Leicester City Council, Leicestershire County Council and the Clinical Commissioning Groups. Grants were also received from a number of local and national charities to assist with the running costs of the Charity. In meeting the key objectives of the Charity some £1,428,334 was paid by way of grants to service users and a further 224 grants totalling £341,292 were remitted directly by the donor charity to individual service users following referral by ourselves.

Plans for Future Years

The Trustees are committed to continue seeking out and giving grants to individuals and institutions, in a similar way to the recent past, and in order to relieve poverty and distress in Leicestershire, Northamptonshire and Rutland. They will endeavour to ensure that help is provided across all areas and that no one area will have priority for funding. The Trustees are, however, aware that some groups of beneficiaries remain under-represented in their grant giving and the cost-of-living crisis will have a far-reaching impact on households within the community, efforts will be made to address this in the coming year. During the year the Charity continued work in Northamptonshire and it is the intention of the Trustees to undertake similar initiatives in other areas of the East Midlands should the opportunity arise. An important part of expanding the geographical reach of the Charity is its trading arm, The Goods Depot Limited. The Trustees intend to continue to scale up the trading of The Goods Depot Limited over the coming year in order that it achieves sustained profitability and becomes a net contributor to the Charity's operating income.

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Statement of Trustees' Responsibilities

The Trustees (who are also directors of Leicester Charity Organisation Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charitable company and the group will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board of Trustees.

CE Smith
Chairman

29 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Opinion

We have audited the financial statements of Leicester Charity Organisation Society (the parent company and its subsidiary) for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable company 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 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or the group, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's and group's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester Charity Organisation Society, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester Charity Organisation Society and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Somerbys Limited

29 November 2022

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY
GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2022
Income from:						
Voluntary Income	2	306,672	1,308,840	-	-	1,615,512
Administration fees		67,116	-	-	-	67,116
Investment income	3	15,635	2,656	-	-	18,291
Incoming resources from charitable activities	4	127,343	20,442	-	-	147,785
Other trading income		13,841				13,841
Total income		530,607	1,331,938	-	-	1,862,545
Expenditure on:						
Raising funds	5	87,811	489	-	-	88,300
Charitable Activity						
Relief of poverty	5	422,715	1,448,776	-	-	1,871,491
Total expenditure		510,526	1,449,265	-	-	1,959,791
Realised gain/(loss) on Investment assets		-	-	-	-	-
Unrealised gain/(loss) on investment assets	16	-	-	-	2,656	2,656
Net income/(expenditure)		20,081	(117,327)	-	2,656	(94,590)
Transfers between funds	20	(15,000)	-	15,000	-	-
		5,081	(117,327)	15,000	2,656	(94,590)
Other recognised gains and losses						
Pension deficit adjustment	14	94,000	-	-	-	(94,000)
Net movement in funds		99,081	(117,327)	15,000	2,656	(590)
Fund balances at 31 March 2021		196,607	254,917	125,000	73,336	649,860
Fund balances at 31 March 2022		£295,688	£137,590	£140,000	£75,992	£649,270

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

See page 13 for corresponding figures for 2021.

LEICESTER CHARITY ORGANISATION SOCIETY
GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2021
Income from:						
Voluntary Income	2	306,720	956,949	-	-	1,263,669
Administration fees		72,192	-	-	-	72,192
Investment income	3	15,604	2,118	-	-	17,722
Incoming resources from charitable activities	4	81,669	130,949	-	-	212,618
Other trading income		11,643	-	-	-	11,643
Total income		487,828	1,090,016	-	-	1,577,844
Expenditure on:						
Raising funds	5	70,831	379	-	-	71,210
Charitable Activity						
Relief of poverty	5	228,890	1,034,087	-	-	1,262,977
Total expenditure		299,721	1,034,466	-	-	1,334,187
Realised gain/(loss) on Investment assets		-	-	-	92	92
Unrealised gain/(loss) on investment assets	16	-	-	-	13,719	13,719
Net income/(expenditure)		188,107	55,550	-	13,811	257,468
Transfers between funds	20	(25,000)	-	25,000	-	-
		163,107	55,550	25,000	13,811	257,468
Other recognised gains and losses						
Pension deficit adjustment	14	(11,000)	-	-	-	(11,000)
Net movement in funds		152,107	55,550	25,000	13,811	246,468
Fund balances at 31 March 2020		44,500	199,367	100,000	59,525	403,392
Fund balances at 31 March 2021		**£196,607**	**£254,917**	**£125,000**	**£73,336**	**£649,860**

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

LEICESTER CHARITY ORGANISATION SOCIETY
CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2022

Group	Notes		2022	2021
Fixed assets				
Tangible assets	9		150,000	166,771
Investments	10		75,218	69,365
			225,218	236,136
Current assets				
Stock	11	13,863		16,741
Debtors	12	411,907		311,014
Cash at bank and in hand		239,933		390,990
		665,703		718,745
Creditors: amounts falling due within one year	13	(216,651)		(172,021)
Net current assets			449,052	546,724
Creditors: amounts falling due after one year	14		(25,000)	(133,000)
Total assets			£649,270	£649,860
Capital fund				
Endowment	17		75,992	73,336
Designated funds	18		140,000	125,000
Income funds				
Restricted funds	15		137,590	254,917
Unrestricted funds			295,688	196,607
			£649,270	£649,860

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

These accounts were approved by the Trustees on 29 November 2022

Signed on behalf of the Trustees,

CE Smith
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

BALANCE SHEET
AT 31 MARCH 2022

Company	Notes		2022	2021
Fixed assets				
Tangible assets	9		150,000	162,500
Investments	10		75,218	69,365
Investment in subsidiary	10		100	100
			225,318	231,965
Current assets				
Debtors	12	454,964		412,484
Cash at bank and in hand		212,062		350,488
		667,026		762,972
Creditors: amounts falling due within one year	13	(161,410)		(153,745)
Net current assets			505,616	609,227
Creditors: amounts falling due after one year	14		(25,000)	(133,000)
Total assets			£705,934	£708,192
Capital fund				
Endowment	17		75,992	73,336
Designated funds	18		140,000	125,000
Income funds				
Restricted funds	15		158,244	254,917
Unrestricted funds			331,698	254,939
			£705,934	£708,192

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

These accounts were approved by the Trustees on 29 November 2022.

Signed on behalf of the Trustees,

CE Smith
Chairman
Company Registration No. 03761954

LEICESTER CHARITY ORGANISATION SOCIETY

STATEMENT OF CONSOLIDATED CASHFLOWS
YEAR ENDED 31 MARCH 2022

	Notes	2022	2021
Cash flow from operating activities			
Cash (used)/generated in operations	**23**	(166,151)	46,889
Net cash flow from operating activities		(166,151)	46,889
Cash flow from investing activities			
Payments to acquire investments		(3,197)	-
Receipts from sales of investments		-	947
Investment income received		18,291	17,722
Net cash flow from investing activities		15,094	18,669
Net increase in cash and cash equivalents		(151,057)	65,558
Cash and cash equivalents at 31 March 2021		390,990	325,432
Cash and cash equivalents at 31 March 2022		£239,933	£390,990
Cash and cash equivalents consists of:			
Cash at bank and in hand		239,933	390,990
Cash and cash equivalents at 31 March 2022		£239,933	£390,990

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Account 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic or Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements of the group are prepared under the historical cost convention, modified to include listed investments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and the group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. There have been no changes to accounting estimates during the reporting year.

The Charity has taken advantage of the small company provisions of the Companies Act 2006.

1.2 Going concern

The financial statements of the charity have been prepared on a going concern basis. The trustees have considered the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Subsidiary

The financial statements of the Goods Depot Limited have been prepared on the going concern basis. The financial statements have been prepared on this basis on the assumption of continued support of the Charity.

1.3 Recognition of income

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and is probable that they will be fulfilled.

Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the year for which it has been received.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from local government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Investment income is recognised when the amount can be measured reliably.

Income of subsidiary
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into accounts trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Expenditure recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorized under the following headings:

- Costs of raising funds; which are the costs of generating incoming resources from all sources other than from charitable activities.
- Charitable activities; which are all the costs applied by the charity in undertaking its work to meet its charitable objectives.

Grants payable to third parties are within the charities objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled are outside of the control of the charity.

1.5 Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	-	straight line over the period of the lease
Fixtures, fittings & equipment	-	33% per annum of cost
Motor vehicles	-	33% per annum of cost

1.6 Impairment of fixed assets
At each reporting period end date, the charitable company reviews the carrying amounts of tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.7 Fixed asset Investments
Investments are stated at fair value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where appliable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.9 Cash and cash equivalents

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

1.10 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Pensions

The Charity partakes in a multi-employer pension scheme for the benefit of its employees which is independently administered by The Pensions Trust. The assets and liabilities of the fund are detailed at note 14.

In addition, the Group also operates a defined contribution pension scheme for the benefit of its employees which is independently administered. The expenses of the scheme are charged to the SOFA as and when they fall due.

1.12 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purpose.

1.13 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for specific purposes. The costs of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are retained for the benefit of the charity as a capital fund. The fund consists of investments that are used for the purpose of the charity.

Designated funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the accounts.

1.14 Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the discounted amount expected to be paid in exchange for that service.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognized at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognized in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognized in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognized as a liability.

1.17 Critical accounting estimates and judgements

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets

Support cost allocations:

Support costs are apportioned as they relate to more than one cost category (see note 5).

2 Voluntary income	Unrestricted funds	Restricted funds	2022	2021
Core grants	-	1,308,340	1,308,340	956,449
Donations, subscriptions and discounts received	54,618	500	55,118	92,287
Income from fundraising	227,066	-	227,066	214,933
Legacies	24,988	-	24,988	-
	£306,672	£1,308,840	£1,615,512	£1,263,669

3 Investment income	Unrestricted funds	Restricted funds	2022	2021
Rental income	14,800	-	14,800	14,800
Income from listed investments	790	2,656	3,446	2,738
Interest receivable	45	-	45	184
	£15,635	£2,656	£18,291	£17,722

4 Incoming resources from charitable activities

Grants receivable for charitable activities	2022	2021
Unrestricted funds:		
Leicester City Council	112,258	66,498
Leicestershire County Council	15,085	15,171
	127,343	81,669
Restricted funds:		
Leicester City Council	11,506	11,304
Leicestershire County Council	4,915	4,829
Leicestershire County Council - Communities Fund	-	11,000
Leicestershire and Rutland Community Foundation - Coronavirus Support Fund	-	12,500
Leicestershire and Rutland Community Foundation - DCMS New Normal Grants	-	5,000
The National Lottery Community Fund	-	82,352
Leicester / Leicestershire Primary Care Trusts	4,021	3,964
	20,442	130,949
Total	£147,785	£212,618

The Charity receives income from local government to assist individuals in identifying support funding to which they may be entitled.

5 Total resources expended

The trust allocates its support costs as shown in the table below. Support costs are allocated on a basis of staff time.

	Staff Costs (note 7)	Depreciation (note 9)	Other Costs (note 8)	Total 2022	Total 2021
Costs of generating funds:					
Fundraising and publicity	72,119	-	16,181	88,300	71,210
Charitable Activity – Relief of Poverty:					
Donations in kind	-	-	269,495	269,495	219,091
Inter-group transactions	-	-	(380,642)	(380,642)	(306,736)
Grants payable (note 6)	-	-	1,428,334	1,428,334	903,139
Employment costs	399,131	-	-	399,131	338,320
Administration costs		16,771	138,402	155,173	109,163
	399,131	16,771	1,455,589	1,871,491	1,262,977
	£471,250	£16,771	£1,471,770	£1,959,791	£1,334,187

Donations in kind represent purchases of white goods from the subsidiary company the Goods Depot Limited which are donated as grants to individuals

Included in the above administration costs is:	2022	2021
Auditor's remuneration	£11,818	£15,914

6 Grants payable

Grants to institutions - 2 (2021 – 6 grants)	7,000	17,814
Grants to individuals - 7,792 (2021 – 5,763 grants)	1,421,334	885,325
	£1,428,334	£903,139

In addition to the above grants administered through the Society, a further 224 awards totalling £341,292 were secured on behalf of individuals and institutions. These grants were remitted directly by the donors to the beneficiaries.

Grants to institutions	2022	2021
Leicester Hospitals Charity – Covid 19 Appeal	-	2,500
Age UK Leicestershire and Rutland	6,000	10,000
Charity Link	1,000	2,500
Rainbows Children's Hospice	-	2,500
Parkinsons Disease Society	-	100
Women V Cancer	-	214
	£7,000	£17,814

7 Employees

	2022	2021
Number of employees		
The average monthly number of employees during the year was:	21	18
The number of part time employees was	14	13
Employment costs		
Wages and salaries	415,687	363,006
Social security costs	29,639	18,849
Other pension costs	25,924	23,144
	£471,250	£404,999

No employee earned £60,000 per annum or more. The Charity considers its key management personnel to consist of the CEO, Deputy CEO and Operations Manager (appointed May 2021). The remuneration and benefits paid to these personnel totalled £143,108 (2021 - £117,810).

None of the Trustees (or any person connected with them) received any remuneration during this year.
No Trustee was reimbursed for travel expenses during the year (2021 – no trustee).

8 Other costs

Fundraising and publicity	2022	2021
Promotion expenses	15,692	4,152
Investment management fees	489	379
	£16,181	£4,531

Charitable activity administration costs		
Rent and rates	18,102	14,098
Insurance	4,400	3,618
Light and heat	7,540	2,611
Repairs and maintenance	17,019	226
Stationery	6,069	7,400
Telephone and fax	5,151	4,775
Travelling expenses	9,921	7,002
Legal and professional	13,991	6,304
Sundry expenses	4,392	3,006
Recruitment expenses	1,554	400
Subscriptions	1,456	890
Bank charges	1,927	1,038
Cleaning	5,447	5,017
Computer expenses	25,154	11,907
Health and safety	536	1,198
Staff training	1,755	35
Postage	2,170	4,102
Auditor's remuneration	11,818	17,544
	£138,402	£91,171

9 **Group**
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
Cost/Valuation				
At 31 March 2021	237,500	38,633	16,640	292,773
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 March 2022	£237,500	£38,633	£16,640	£292,773
Depreciation				
At 31 March 2021	75,000	38,633	12,369	126,002
Charge for the year	12,500	-	4,271	16,771
Eliminated on disposal	-	-	-	-
At 31 March 2022	£87,500	£38,633	£16,640	£142,773
Net book value				
At 31 March 2022	£150,000	£Nil	£Nil	£150,000
At 31 March 2021	£162,500	£Nil	£4,271	£166,771

Company
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Total
Cost/Valuation			
At 31 March 2021	237,500	38,633	276,133
Additions	-	-	-
Disposal	-	-	-
At 31 March 2022	£237,500	£38,633	£276,133
Depreciation			
At 31 March 2021	75,000	38,633	113,633
Charge for the year	12,500	-	12,500
Eliminated on disposal	-	-	-
At 31 March 2022	£87,500	£38,633	£126,133
Net book value			
At 31 March 2021	£150,000	£Nil	£150,000
At 31 March 2021	£162,500	£Nil	£162,500

10 Fixed asset investments

Charity
Listed investments

Market value at 31 March 2021	69,365
Acquisitions at cost	3,197
Disposals at opening book value	-
Net unrealised gain on revaluation	2,656
Market value at 31 March 2022	£75,218
Historical cost:	
At 31 March 2022	£65,703
Historical cost:	
At 31 March 2021	£62,506

All investments were held in the United Kingdom. The Trustees consider that there were no individual material investments held at the end of the year. Listed investments are valued at market value at the year end.

Subsidiaries
Details of the company's subsidiary at 31 March 2022 are as follows:

Name of undertaking	Registered office	Company No	Class of shares held	% Held
The Goods Depot Limited Acquired on 21 September 2018	UK	11581108	Ordinary	100
Results for the year				£
Income				394,483
Expenditure				(372,159)
Profit before taxation				£22,324
Total Assets				£61,519
Total Liabilities				£97,427

11 Stocks

	Group		Charity	
	2022	2021	2022	2021
Goods for resale	13,863	£16,741	£-	£-

12 Debtors

	Group		Charity	
	2022	2021	2022	2021
Trade debtors	368,854	274,470	358,668	270,162
Income recoverable	29,370	23,490	29,370	23,490
Amount owed by subsidiary undertaking	-	-	62,838	114,726
Prepayments	13,683	13,054	4,088	4,106
	£411,907	£311,014	£454,964	£412,484

13 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
Trade creditors	160,404	86,874	141,619	81,852
Taxes and social security costs	10,591	14,947	-	6,586
Other creditors	3,079	13,176	-	8,283
Accruals and deferred income	28,577	12,024	5,791	12,024
Pension deficit	14,000	45,000	14,000	45,000
	£216,651	£172,021	£161,410	£153,745

14 Pension costs

The Charity
The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

The charity participates in a multi – employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2022	2021
Liability at 1 April 2021	178,000	211,000
Unwinding of the discount factor (interest expense)	1,000	5,000
Deficit contributions paid	(45,000)	(44,000)
Re-measurements – impact of any change in assumptions	(1,000)	6,000
Re-measurements – amendment to the contributions schedule	(94,000)	-
Balance sheet liability at 31 March 2022	£39,000	£178,000
Due within 1 year	£14,000	£45,000
Due after 1 year	£25,000	£133,000
Amounts payable by instalments after 5 years	-	-

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2022	March 2021	March 2020	March 2019
Discount rate applied to future recovery plan contributions due	2.35%	0.66%	2.53%	1.39%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds, all of the costs have been charged to unrestricted funds for this year and for previous years.

The subsidiary
The Goods Depot Limited operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	Balance 1 April 2021	Movement in funds: Incoming Resource	Movement in funds: Resources Expended	Movement in funds: Grants awarded but unspent	Balance 31 March 2022
Carlton Hayes Mental Health Charity	38,070	36,000	70,307	-	3,763
Funds held for other charitable institutions	8,420	-	7,000	-	1,420
Leicester Children's Aid Association	7,715	3,156	7,034	-	3,837
Other funds held for distribution to the needy	200,712	1,272,340	1,323,828	20,654	128,570
Local authorities and CCG	-	20,442	20,442	-	-
	£254,917	£1,331,938	£1,428,611	20,654	£137,590

	Balance 1 April 2020	Movement in funds: Incoming Resource	Movement in funds: Resources Expended	Movement in funds: Transfer	Balance 30 March 2021
Carlton Hayes Mental Health Charity	3,085	63,000	28,015	-	38,070
Funds held for other charitable institutions	26,234	-	17,814	-	8,420
Leicester Children's Aid Association	6,039	2,618	942	-	7,715
Other funds held for distribution to the needy	164,009	893,449	856,746	-	200,712
Local Authorities and CCGs	-	130,949	130,949	-	-
	£199,367	£1,090,016	£1,034,466	-	£254,917

15 Restricted funds (continued)

- The Carlton Hayes Mental Health Charity makes grants for people in need living in Leicestershire and Rutland who are experiencing mental health problems
- The funds held for other charitable institutions are block grant arrangements with companies and individual donors which help institutions engaged in charitable activities
- Leicester Children's Aid Association assists children and young people resident in the city of Leicester under the age of 18 with grants to promote their education and welfare.
- Leicester City Council and Leicestershire County Council support the activities of the charity in order to reduce poverty and distress in the city of Leicester and county of Leicestershire respectively. The three Clinical Commissioning Groups operating in Leicestershire and Rutland support the activities of the charity in seeking out funding for equipment, aids and adaptions that help disabled people to retain their independence.

16 Analysis of net assets between funds

Group	Unrestricted fund	Restricted Fund	Designated Funds	Endowment Funds	Total Funds 2022	Total Funds 2021
Fund balances at 31 March 2022 are represented by:						
Tangible fixed assets	150,000	-	-	-	150,000	166,771
Investments	100	-	-	75,218	75,318	69,365
Current assets	246,698	244,043	140,000	774	631,515	718,745
Creditors: amounts falling due within one year	(76,110)	(106,453)	-	-	(182,563)	(172,021)
Creditors: amounts falling due after one year	(25,000)	-	-	-	(25,000)	(133,000)
	£295,688	£137,590	£140,000	£75,992	£649,270	£649,860
Company						
Fund balances at 31 March 2022 are represented by:						
Tangible fixed assets	150,000	-	-	-	150,000	162,500
Investments	100	-	-	75,218	75,318	69,465
Current assets	282,708	264,697	140,000	774	688,179	762,873
Creditors: amounts falling due within one year	(76,110)	(106,453)	-	-	(182,563)	(153,646)
Creditors: amounts falling due after one year	(25,000)	-	-	-	(25,000)	(133,000)
	£331,698	£158,244	£140,000	£75,992	£705,934	£708,192

				Endowment Funds	Total Funds 2022	Total Funds 2021
Unrealised gains/(losses) included above:						
On investments (see below)				£9,515	9,515	£6,859
Reconciliation of movements in unrealised Gains/(losses) on investment assets						
Unrealised gains at 1 April 2021	-	-	-	6,859	6,859	(7,004)
Deduct in respect of disposals in year	-	-	-	-	-	144
	-	-	-	6,859	6,859	(6,860)
Net reduction arising in year	-	-	-	2,656	2,656	13,719
Unrealised deficit at 31 March 2022	£-	£-	£-	£9,515	£9,515	£6,859

17 Endowment funds

The Endowment Funds relate to Leicester Children's Aid Association which was transferred into the Charity on 29 October 2007 together with the net funds of Connection, another locally based Charity which merged with Leicester Children's Aid Association in 2008.

18 Designated funds

The designated property fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. During the year £15,000 was transferred to the fund.

19 Related Party Transactions

During the year, administration fees and grants were received from the following charities in which some or all of the Trustees of Leicester Charity Organisation Society are also Trustees:-

	2022 £	2021 £
Leicester Indigent Old Age Society	4,537	4,014
The Mansion Trust (UK)	2,443	3,214
The Nicholson Memorial Fund (Rosehill Trust)	14,547	14,509
R Daphne Plunket Charitable Trust	78,352	14,020
Edward Wood Poor Widows	1,372	1,421
Alderman Newton's Educational Foundation	15,832	13,112

There was no trustees remuneration paid.

20 **Transfer between funds**

During the year, Leicester Charity Organisation Society transferred £15,000 from the unrestricted fund to the designated property fund to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034.

21 **Lease commitments**

The Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£53,652	£6,750

The Charity

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£14,201	£Nil

22 **Contingent Liability**

The Charitable company has guaranteed the lease payments of The Goods Depot Limited on the leasehold premises from which that company operates. At 31 March 2022 the lease commitment amounted to £39,451.

23 **Reconciliation of net income to net cash flow from operations**

	2022	2021
Net movement in funds	(590)	246,468
Depreciation of tangible fixed assets	16,771	17,992
Gains on investments	(2,656)	(13,811)
Investment income	(18,291)	(17,722)
Decrease in stock	2,878	1,106
Increase in debtors	(100,893)	(218,906)
(Decrease)/Increase in creditors	(63,370)	31,762
Net cash (outflow)/inflow from operations	(£166,151)	£46,889

LEICESTER CHARITY ORGANISATION SOCIETY

England & Wales - Charity number 1078271

Accounts

Charity Registration No. 1078271

Company Registration No. 03761954 (England and Wales)

LEICESTER CHARITY ORGANISATION SOCIETY TRUSTEES REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY

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LEGAL AND ADMINISTRATIVE DETAILS

Trustees	A H Jarvis *(Treasurer)* G Oliver C A Pharoah C E Smith *(Chairman)* Prof S M Sharma C T Saul C E Shevas H Sahota (appointed 9 February 2021)
Secretary and Director of Operations	J A Munton
Director of Marketing and Fundraising	Mrs S McEniff
Charity number	1078271
Company number	03761954
Registered office and principal address	20a Millstone Lane Leicester LE1 5JN
Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank PLC 7 High Street Leicester LE1 9FS
Investment Advisors	Rowley-Turton (IFA) Limited Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Subsidiary Undertaking	The Goods Depot Limited Sandown Court Station Road Glenfield Leicester LE3 8BT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and Accounting and Reporting by Charities. Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Administration Details

Leicester Charity Organisation Society, known as Charity Link, is a registered Charity and a Company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office is as shown on Page 1.

The Directors, who act as Trustees, are shown on Page 1 together with the names of the principal external advisors.

Structure, Governance and Management

The governing document of the Charity is the Memorandum and Articles of Association incorporated on 28 April 1999 and amended by a special resolution on 30 October 2006.

Organisation

A board of Trustees, who meet quarterly, administer the Charity. A Director of Operations and a Director of Marketing and Fundraising are appointed by the Trustees to manage the day-to-day operations of the Charity.

Policies and procedures for induction and training of Trustees

New Trustees are appointed in accordance with the organisation's Articles of Association. They are also encouraged to meet with the Chairman, Director of Operations and Director of Marketing and Fundraising at the Charity's offices where they are provided with background information about the work carried out and introduced to the staff and volunteers. New Trustees are also offered training through local agencies in the role and responsibility of Trustees and good governance. An induction pack is given to each new Trustee containing the organisation's Memorandum and Articles of Association, together with information on the duties of Trustees and the latest published accounts and annual report.

Related parties

The Charity has common key personnel with R Daphne Plunket Charitable Trust, Leicester Indigent Old Age Society and the Mansion Trust (UK). Charity Link administers these charities. All other related parties and transactions can be found in note 19 of the Financial Statements.

Risk factors

The Trustees have continued to assess the major risks to which the Charity and group is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Covid 19 global pandemic has continued to impact the charity and group, causing ongoing disruption to normal patterns of business and delivery of services. Effective contingency planning enabled the organisation to make a swift transition to the remote provision of services at the start of the pandemic; a phased return to the office is now being implemented in line with government lifting of restrictions. Some ongoing safety measures will remain in place in order to provide continued protection to staff and clients.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Remuneration

The Finance and Remuneration Sub-Committee recommend to the Board of Trustees the annual pay awards for staff, including any performance-related enhancements in pay. The Board of Trustees is responsible for agreeing those recommendations.

Objectives and Activities

The Charity's objects are to relieve poverty and the distress arising therefrom, in particular, but not exclusively by:

- the provision of charitable and other grants;
- the provision of welfare benefits and budgeting advice;
- the provision of information and training for other agencies regarding welfare benefit claims;
- the provision of services (including trust administration) to assist charities in conducting their affairs;
- to facilitate co-operation between charities and other welfare agencies;
- to influence social policy makers and service providers.

Charity's aims

Charity Link's aim is to help ameliorate the lives of those people that are disadvantaged by financial hardship through the distribution of charitable grants and other services. The Charity provides an expert gateway to enable these people to access grants from the vast array of occupational, illness related and benevolent funds across the UK that are available to help people in need.

Strategies to achieve main objectives for the year

The strategies employed to assist the Charity to meet these objectives included the following:

- providing charitable grants to individuals in need
- providing charitable grants to projects working with disadvantaged people
- working in partnership with other agencies to maximise financial help available to beneficiaries

Criteria by which Charity measures its success

The Charity measures its success in the reporting period by reference to the achievement of grant income, expenditure control, the number of referrals and the social impact its work has on beneficiaries.

Grant making policy

The Charity receives referrals from health, social care and educational agencies, charities and individuals. It raises grants to meet the needs of the most needy and vulnerable people in the community by raising funding from local and national charities and benevolent funds.

Significance of volunteer staff

Normally, volunteers make a significant contribution to the Charity's activities, assisting with home visiting, promotion and the financial and general administration of the charity. However, throughout the year and beyond, volunteer activity was substantially curtailed by the regulations brought in to combat the Covid-19 outbreak and the need for ongoing safety measures to protect volunteers. The Charity intends to re-establish volunteering within the organisation as government restrictions are further lifted.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people we support and enable those with responsibility in the sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

Achievements and Performance

Achievement of objectives

The principal focus of the Trustees over the last year was to deliver the Charity's objectives as the Covid pandemic created considerable need among service users. In order to do so, the Charity had to remain financially stable while, simultaneously, meeting increased demand from service users. This was achieved with an effective team response from trustees, staff and volunteers to what was an unprecedented external situation. Grants to individuals and institutions in need rose to £1,099,274 in the year, compared to £612,338 in the prior year, an 80% increase. The total number of grants made rose to 5,926 from 3,153 in the year to March 2020. These grants helped disadvantaged individuals and families, as well as institutions working with such people. A number of Covid-specific support funds were managed by the Charity during the year. These helped to reduce the impact of the various lockdowns on vulnerable people in the communities we serve and formed part of an agile response by the Charity to an unprecedented set of external circumstances.

The Charity improved its financial strength, and its ability to meet the increased demand, through successful applications to various one-off and nonrecurring funding streams. Significant funding was issued nationally by the Government, the National Lottery and National Emergencies Trust in order to support the sector through the pandemic. Management of these funds will help the Charity to maintain services through any downturn in charitable income in the short-term. It also helped to contribute to the surplus on the unrestricted fund for the year.

The largest of the Covid-specific funds was the 'There With You Fund', funded by the Randall Charitable Foundation and through public appeal. A grant program was funded by Octopus Energy as part of the Warm Homes Initiative. These new funding streams helped the Charity to increase the number and total value of grants made.

The Charity also assisted Leicester City Council deliver its Covid Winter Support grants scheme. This also helped substantially increased the number and value of grants it distributed in the year. Our thanks go to all those charities, local authorities, companies and individuals which helped us support the most vulnerable members of our community through some of the most challenging periods of the pandemic.

The improvement in the value of investment assets reflected the general upturn in the stock market values following the adverse market conditions in March 2020.

In achieving our objectives, the factors inside the control of the Charity are performances against targets for funding received under service agreements with the local authorities and Clinical Commissioning Groups; maintaining service standards for trusts under our administration; and the continued development of our IT systems, in order to reduce core costs and assist with proactive fundraising. The factors outside of our control are continued insecurity over funding from the local authorities and the Clinical Commissioning Groups, reduced income from donations and Trusts as a result of the impact on the fundraising climate as the country emerges from Covid restrictions as well as fluctuations in the stock market. The trading arm, The Goods Depot Limited, which, opened in 2019 to supply low-cost domestic appliances to the Charity's beneficiaries, remained operational throughout

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

the year. The objectives of the Good Depot Limited are to assist a greater number of service users and improve the Charity's environmental impact. Any profits from the subsidiary company will be gifted to the Charity to contribute to long-term sustainability.

Fundraising activities

The Covid-19 pandemic had a significant impact on fundraising activities during the year. The Charity's fundraising strategy was changed promptly in response to the pandemic curtailing key income generating activities. For example, the flagship Leicestershire 3 Peaks Challenge, and almost all other planned fundraising events, were prevented by lockdown restrictions imposed by the Government. In addition, community giving was much reduced in the early part of the year as a consequence of the economic downturn.

The challenging fundraising environment was forecast to have a very significant impact on charitable income at the beginning of the year. Therefore, the Charity continued to engage in fundraising activities, where safe and legal to do so, and grasped other situational opportunities as they arose. These generated incoming resources to continue the funding of its charitable activities and meet its objects.

For example, the Government, the National Lottery and National Emergencies Trust released significant funds to support charities through the pandemic. These funds were specifically to help charities with their core costs, adapt to new working methods and develop their services to address the challenges of Covid restrictions. The Charity successfully applied for grants from a number of these pandemic-related funding streams. This allowed its charitable activities to continue uninterrupted throughout the year and resulted in an improved financial position at the year end.

A fundraising target of £190,000 for the general administration of the Charity was set for the year. This was exceeded following an upturn in the fundraising environment as the year progressed. Expenditure for future income generation included the printing of publicity material for fundraising purposes and various promotional activities.

Investment policy

The Trustees have the power to invest in such assets as they see fit.

As permitted by the Charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

Investment income

The income from the Leicester Children's Aid Association investments is distributed by the Charity to assist children in need in the area of benefit of the Association, thus meeting its charitable objects. Those funds contribute to the relief of poverty objective of the Charity through the provision of grants to assist poor children and young people in Leicester through educational and other awards.

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Financial Review

Accounting Year

The accounts are prepared to 31 March 2021 and are consolidated to include the results of the subsidiary company, The Goods Depot Limited.

Review of activities
During the year the group had total incoming resources of £1,577,844 (2020: £910,846) and there was a net increase in funds of £246,468 (2020: £29,060 increase). The total restricted funds at the end of the period amounted to £254,917 (2020: £199,367), endowment funds amounted to £73,336 (2020:£59,525) and unrestricted funds (designated for specific purposes) amounted to £125,000 (2020:£100,000). Note 16 to the accounts shows unrestricted fixed assets of £166,771 (2020:£184,763); free reserves, as defined by SORP 2015, were therefore in surplus by £29,836 after taking account of the pension deficit liability of £178,000 (2020: £211,000 deficit after pension deficit liability of £140,263).

Reserves policy
It is the policy of the Charity that free reserves should be maintained at a level equivalent to six months unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. The FRS102 requirement to show the long-term pension deficit as a creditor in the accounts has had a detrimental effect on the charity's reserves reducing them below the level set in the reserves policy. However; the charity does have adequate cash to achieve the policy aim and it should be noted that the pension deficit poses no threat to the gong concern of the Charity as it is covered by a long-term repayment plan and does not affect short-term cash flow.

It is the aim of the Charity that a sum be added to a designated property fund in each year provided that a sufficient operating surplus or free reserves warrant this. This fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. The Trustees consider that, in this financial year, unrestricted funds are sufficient to allow an amount of £25,000 to be transferred.

Principal funding sources
Aside from funds secured on behalf of service users, the principal sources in the year were income from fundraising and grant aided arrangements with Leicester City Council, Leicestershire County Council and the Clinical Commissioning Groups. Grants were also received from a number of local and national charities to assist with the running costs of the Charity. In meeting the key objectives of the Charity some £903,139 was paid by way of grants to service users and a further 157 grants totalling £196,135 were remitted directly by the donor charity to individual service users following referral by ourselves.

Plans for Future Years

The Trustees are committed to continuing to seek out and give grants to individuals and institutions, in a similar way to the recent past in order to relieve poverty and distress in Leicestershire, Northamptonshire and Rutland. They will endeavour to ensure that help is provided across all areas and that no one area will have priority for funding. The Trustees are, however, aware that some groups of beneficiaries remain under-represented in their grant giving and efforts will be made to address this in the coming year. During the year the Charity continued work in Northamptonshire and it is the intention of the Trustees to undertake similar initiatives in other areas of the East Midlands should the opportunity arise. An important part of expanding the geographical reach of the Charity is its trading arm, The Goods Depot Limited. The Trustees intend to continue to scale up the trading of The Goods Depot Limited over the coming year in order that it achieves sustained profitability and becomes a net contributor to the Charity's operating income.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Leicester Charity Organisation Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charitable company and the group will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board of Trustees.

CESmith
CESmith (Dec 22, 2021 15:44 GMT)

CE Smith
Chairman/Trustee
22 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY

Opinion

We have audited the financial statements of Leicester Charity Organisation Society (the parent company and its subsidiary) for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable company 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 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or the group, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's and group's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester Charity Organisation Society, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester Charity Organisation Society and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor) .....
For and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER CHARITY ORGANISATION SOCIETY
GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2021
Income from:						
Voluntary Income	2	306,720	956,949	-	-	1,263,669
Administration fees		72,192	-	-	-	72,192
Investment income	3	15,604	2,118	-	-	17,722
Incoming resources from charitable activities	4	81,669	130,949	-	-	212,618
Other trading income		11,643	-	-	-	11,643
Total income		487,828	1,090,016	-	-	1,577,844
Expenditure on:						
Raising funds	5	70,831	379	-	-	71,210
Charitable Activity						
Relief of poverty	5	228,890	1,034,087	-	-	1,262,977
Total expenditure		299,721	1,034,466	-	-	1,334,187
Realised gain/(loss) on Investment assets		-	-	-	92	92
Unrealised gain/(loss) on investment assets	16	-	-	-	13,719	13,719
Net income/(expenditure)		188,107	55,550	-	13,811	257,468
Transfers between funds	20	(25,000)	-	25,000	-	-
		163,107	55,550	25,000	13,811	257,468
Other recognised gains and losses						
Pension deficit adjustment	14	(11,000)	-	-	-	(11,000)
Net movement in funds		152,107	55,550	25,000	13,811	246,468
Fund balances at 31 March 2020		44,500	199,367	100,000	59,525	403,392
Fund balances at 31 March 2021		**£196,607**	**£254,917**	**£125,000**	**£73,336**	**£649,860**

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

See page 13 for corresponding figures for 2020.

LEICESTER CHARITY ORGANISATION SOCIETY
GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total 2020
Income from:						
Voluntary Income	2	355,581	401,936	-	-	757,517
Administration fees		52,247	-	-	-	52,247
Investment income	3	18,409	2,864	-	-	21,273
Incoming resources from charitable activities	4	51,123	21,273	-	-	72,396
Other trading income		7,413	-	-	-	7,413
Total income		484,773	426,073	-	-	910,846
Expenditure on:						
Raising funds	5	71,572	573	-	-	72,145
Charitable Activity						
Relief of poverty	5	348,891	451,459	-	-	800,350
Total expenditure		420,463	452,032	-	-	872,495
Realised gain/(loss) on Investment assets		-	-	-	47	47
Unrealised gain/(loss) on investment assets	16	-	-	-	(12,338)	(12,338)
Net income/(expenditure)		64,310	(25,959)	-	(12,291)	26,060
Transfers between funds	19	(54,761)	(5,239)	60,000	-	-
		9,549	(31,198)	60,000	(12,291)	26,060
Pension deficit adjustment	14	3,000	-	-	-	3,000
Net movement in funds		12,549	(31,198)	60,000	(12,291)	29,060
Fund balances at 1 April 2019		31,951	230,565	40,000	71,816	374,332
Fund balances at 31 March 2020		**£44,500**	**£199,367**	**£100,000**	**£59,525**	**£403,392**

All income and expenditure is derived from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

LEICESTER CHARITY ORGANISATION SOCIETY
CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2021

Group	Notes		2021	2020
Fixed assets				
Tangible assets	9		166,771	184,763
Investments	10		69,365	56,501
			236,136	241,264
Current assets				
Stock	11	16,741		17,847
Debtors	12	311,014		92,108
Cash at bank and in hand		390,990		325,432
		718,745		435,387
Creditors: amounts falling due within one year	13	(172,021)		(106,259)
Net current assets			546,724	329,128
Creditors: amounts falling due after one year	14		(133,000)	(167,000)
Total assets			£649,860	£403,392
Capital fund				
Endowment	17		73,336	59,525
Designated funds	18		125,000	100,000
Income funds				
Restricted funds	15		254,917	199,367
Unrestricted funds			196,607	44,500
			£649,860	£403,392

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

These accounts were approved by the Trustees on 22 December 2021.

Signed on behalf of the Trustees,

CESmith
CESmith (Dec 22, 2021 15:44 GMT)

CE Smith
Chairman
Company Registration No. 03761954

BALANCE SHEET
AT 31 MARCH 2021

Company	Notes		2021	2020
Fixed assets				
Tangible assets	9		162,500	175,000
Investments	10		69,365	56,501
Investment in subsidiary	10		100	100
			231,965	231,601
Current assets				
Debtors	12	412,484		187,572
Cash at bank and in hand		350,488		322,489
		762,972		510,061
Creditors: amounts falling due within one year	13	(153,745)		(99,649)
Net current assets			609,227	410,412
Creditors: amounts falling due after one year	14		(133,000)	(167,000)
Total assets			£708,192	£475,013
Capital fund				
Endowment	17		73,336	59,525
Designated funds	18		125,000	100,000
Income funds				
Restricted funds	15		254,917	199,367
Unrestricted funds			254,939	116,121
			£708,192	£475,013

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

These accounts were approved by the Trustees on 22 December 2021.

Signed on behalf of the Trustees,

CESmith
CESmith (Dec 22, 2021 15:44 GMT)

CE Smith
Chairman
Company Registration No. 03761954

STATEMENT OF CONSOLIDATED CASHFLOWS
YEAR ENDED 31 MARCH 2021

	Notes	2021	2020
Cash flow from operating activities			
Cash generated/(used) in operations	23	46,889	(7,648)
Net cash flow from operating activities		46,889	(7,648)
Cash flow from investing activities			
Payments to acquire investments		-	(7,359)
Receipts from sales of investments		947	7,570
Investment income received		17,722	21,273
Net cash flow from investing activities		18,669	21,484
Net increase in cash and cash equivalents		65,558	13,836
Cash and cash equivalents at 31 March 2020		325,432	311,596
Cash and cash equivalents at 31 March 2021		£390,990	£325,432
Cash and cash equivalents consists of:			
Cash at bank and in hand		390,990	325,432
Cash and cash equivalents at 31 March 2021		£390,990	£325,432

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Account 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic or Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements of the group are prepared under the historical cost convention, modified to include listed investments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and the group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. There have been no changes to accounting estimates during the reporting year.

The Charity has taken advantage of the small company provisions of the Companies Act 2006.

1.2 Going concern

The financial statements of the charity have been prepared on a going concern basis. The trustees have considered the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Subsidiary

The financial statements of the Goods Depot Limited have been prepared on the going concern basis. The financial statements have been prepared on this basis on the assumption of continued support of the Charity.

1.3 Recognition of income

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and is probable that they will be fulfilled.

Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the year for which it has been received.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from local government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Investment income is recognised when the amount can be measured reliably.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

Income of subsidiary
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into accounts trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Expenditure recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorized under the following headings:

- Costs of raising funds; which are the costs of generating incoming resources from all sources other than from charitable activities.
- Charitable activities; which are all the costs applied by the charity in undertaking its work to meet its charitable objectives.

Grants payable to third parties are within the charities objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled are outside of the control of the charity.

1.5 Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	-	straight line over the period of the lease
Fixtures, fittings & equipment	-	33% per annum of cost
Motor vehicles	-	33% per annum of cost

1.6 Impairment of fixed assets
At each reporting period end date, the charitable company reviews the carrying amounts of tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.7 Fixed asset Investments
Investments are stated at fair value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where appliable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

1.9 Cash and cash equivalents

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

1.10 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Pensions

The Charity partakes in a multi-employer pension scheme for the benefit of its employees which is independently administered by The Pensions Trust. The assets and liabilities of the fund are detailed at note 14.

In addition, the Group also operates a defined contribution pension scheme for the benefit of its employees which is independently administered. The expenses of the scheme are charged to the SOFA as and when they fall due.

1.12 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purpose.

1.13 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for specific purposes. The costs of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are retained for the benefit of the charity as a capital fund. The fund consists of investments that are used for the purpose of the charity.

Designated funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the accounts.

1.14 Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the discounted amount expected to be paid in exchange for that service.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognized at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognized in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognized in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognized as a liability.

1.17 Critical accounting estimates and judgements

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

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets

Support cost allocations:

Support costs are apportioned as they relate to more than one cost category (see note 5).

2 Voluntary income	Unrestricted funds	Restricted funds	2021	2020
Core grants	-	956,449	956,449	401,436
Donations, subscriptions and discounts received	91,787	500	92,287	56,338
Income from fundraising	214,933	-	214,933	274,743
Legacies	-	-	-	25,000
	£306,720	£956,949	£1,263,669	£757,517

3 Investment income	Unrestricted funds	Restricted funds	2021	2020
Rental income	14,800	-	14,800	16,645
Income from listed investments	620	2,118	2,738	3,739
Interest receivable	184	-	184	889
	£15,604	£2,118	£17,722	£21,273

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

4 Incoming resources from charitable activities

Grants receivable for charitable activities	2021	2020
Unrestricted funds:		
Leicester City Council	66,498	35,821
Leicestershire County Council	15,171	15,302
	81,669	51,123
Restricted funds:		
Leicester City Council	11,304	10,997
Leicestershire County Council	4,829	4,698
Leicestershire County Council - Communities Fund	11,000	-
Leicestershire and Rutland Community Foundation - Coronavirus Support Fund	12,500	-
Leicestershire and Rutland Community Foundation - DCMS New Normal Grants	5,000	-
The National Lottery Community Fund	82,352	-
Leicester / Leicestershire Primary Care Trusts	3,964	5,578
	130,949	21,273
Total	£212,618	£72,396

The Charity receives income from local government to assist individuals in identifying support funding to which they may be entitled.

5 Total resources expended

The trust allocates its support costs as shown in the table below. Support costs are allocated on a basis of staff time.

	Staff Costs (note 7)	Depreciation (note 9)	Other Costs (note 8)	Total 2021	Total 2020
Costs of generating funds:					
Fundraising and publicity	66,679	-	4,531	71,210	72,145
Charitable Activity – Relief of Poverty:					
Donations in kind	-	-	219,091	219,091	86,593
Inter-group transactions	-	-	(306,736)	(306,736)	(120,113)
Grants payable (note 6)	-	-	903,139	903,139	430,186
Employment costs	338,320	-	-	338,320	290,394
Administration costs	-	17,992	91,171	109,163	113,290
	338,320	17,992	906,665	1,262,977	800,350
	£404,999	£17,992	£911,196	£1,334,187	£872,495

Donations in kind represent purchases of white goods from the subsidiary company the Goods Depot Limited which are donated as grants to individuals

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

Included in the above administration costs is:	2021	2020
Auditor's remuneration	£15,914	£9,272

6 Grants payable

Grants to institutions - 6 (2020 – 0 grants)	17,814	-
Grants to individuals – 5,763 (2020 – 2,969 grants)	885,325	430,186
	£903,139	£430,186

In addition to the above grants administered through the Society, a further 157 awards totalling £196,135 were secured on behalf of individuals and institutions. These grants were remitted directly by the donors to the beneficiaries.

Grants to institutions	2021	2020
Leicester Hospitals Charity – Covid 19 Appeal	2,500	-
Age UK Leicestershire and Rutland	10,000	-
Charity Link	2,500	-
Rainbows Children's Hospice	2,500	-
Parkinsons Disease Society	100	-
Women V Cancer	214	-
	17,814	-

7 Employees

	2021	2020
Number of employees		
The average monthly number of employees during the year was:	18	17
The number of part time employees was	13	12
Employment costs		
Wages and salaries	363,006	309,193
Social security costs	18,849	20,532
Other pension costs	23,144	22,233
	£404,999	£351,958

No employee earned £60,000 per annum or more. The Charity considers its key management personnel to consist of the Directors of Operations and Marketing & Fundraising. The remuneration and benefits paid to these personnel totalled £117,810 (2020 - £113,787).

None of the Trustees (or any person connected with them) received any remuneration during this year. No Trustee was reimbursed for travel expenses during the year (2020 – no trustee).

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

8 Other costs

Fundraising and publicity	2021	2020
Promotion expenses	4,152	9,924
Investment management fees	379	573
	£4,531	£10,497
Charitable activity administration costs		
Rent and rates	14,098	13,500
Insurance	3,618	3,436
Light and heat	2,611	7,123
Repairs and maintenance	226	7,892
Stationery	7,400	6,838
Telephone and fax	4,775	4,293
Travelling expenses	7,002	6,394
Legal and professional	6,304	5,823
Sundry expenses	3,006	2,008
Recruitment expenses	400	650
Subscriptions	890	1,441
Bank charges	1,038	1,142
Cleaning	5,017	4,758
Computer expenses	11,907	13,915
Health and safety	1,198	914
Staff training	35	971
Postage	4,102	4,928
Auditor's remuneration	17,544	9,272
	£91,171	£95,298

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

9 **Group**
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
Cost/Valuation				
At 31 March 2020	237,500	38,633	16,640	292,773
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 March 2020	£237,500	£38,633	£16,640	£292,773
Depreciation				
At 31 March 2020	62,500	38,633	5,877	107,010
Charge for the year	12,500	-	5,492	17,992
Eliminated on disposal	-	-	-	-
At 31 March 2020	£75,000	£38,633	£11,369	£125,002
Net book value				
At 31 March 2021	£162,500	£Nil	£5,271	£167,771
At 31 March 2020	£175,000	£Nil	£10,763	£185,763

Company
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Total
Cost/Valuation			
At 31 March 2020	237,500	38,633	276,133
Additions	-	-	-
Disposal	-	-	-
At 31 March 2020	£237,500	£38,633	£276,133
Depreciation			
At 31 March 2020	62,500	38,633	101,133
Charge for the year	12,500	-	12,500
Eliminated on disposal	-	-	-
At 31 March 2020	£75,000	£38,633	£113,633
Net book value			
At 31 March 2021	£162,500	£Nil	£162,500
At 31 March 2020	£175,000	£Nil	£175,000

10 Fixed asset investments

Charity
Listed investments

Market value at 31 March 2020	56,501
Acquisitions at cost	(855)
Disposals at opening book value	-
Net unrealised gain on revaluation	13,719
Market value at 31 March 2021	£69,365
Historical cost:	
At 31 March 2021	£62,506
Historical cost:	
At 31 March 2020	£63,504

All investments were held in the United Kingdom. The Trustees consider that there were no individual material investments held at the end of the year. Listed investments are valued at market value at the year end.

Subsidiaries
Details of the company's subsidiary at 31 March 2021 are as follows:

Name of undertaking	Registered office	Company No	Class of shares held	% Held
The Goods Depot Limited Acquired on 21 September 2018	UK	11581108	Ordinary	100
Results for the year				£
Income				308,379
Expenditure				(295,090)
Profit before taxation				£13,289
Total Assets				£74,770
Total Liabilities				£133,002

11 Stocks

	Group		Charity	
	2021	2020	2021	2020
Goods for resale	£16,741	£17,847	£-	£-

12 Debtors

	Group		Charity	
	2021	2020	2021	2020
Trade debtors	274,470	55,610	270,162	49,178
Income recoverable	23,490	19,895	23,490	19,895
Amount owed by subsidiary undertaking	-	-	114,726	110,958
Prepayments	13,054	16,603	4,106	7,541
	£311,014	£92,108	£412,484	£187,572

13 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
Trade creditors	86,874	47,297	81,852	42,544
Taxes and social security costs	14,947	257	6,586	-
Other creditors	13,176	5,889	8,283	4,289
Accruals and deferred income	12,024	8,816	12,024	8,816
Pension deficit	45,000	44,000	45,000	44,000
	£172,021	£106,259	£153,745	£99,649

14 Pension costs

The Charity
The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

The charity participates in a multi – employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2021	2020
Liability at 1 April 2020	211,000	256,000
Unwinding of the discount factor (interest expense)	5,000	3,000
Deficit contributions paid	(44,000)	(42,000)
Re-measurements – impact of any change in assumptions	6,000	(6,000)
Re-measurements – amendment to the contributions schedule	-	-
Balance sheet liability at 31 March 2021	£178,000	£211,000
Due within 1 year	£45,000	£44,000
Due after 1 year	£133,000	£167,000
Amounts payable by instalments after 5 years	-	-

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2021	March 2020	March 2019
Discount rate applied to future recovery plan contributions due	0.66%	2.53%	1.39%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds, all of the costs have been charged to unrestricted funds for this year and for previous years.

The subsidiary
The Goods Depot Limited operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

		Movement in funds			
	Balance 1 April 2020	Incoming Resource	Resources Expended	Transfer	Balance 31 March 2021
Carlton Hayes Mental Health Charity	3,085	63,000	28,015	-	38,070
Funds held for other charitable institutions	26,234	-	17,814	-	8,420
Leicester Children's Aid Association	6,039	2,618	942	-	7,715
Other funds held for distribution to the needy	164,009	893,449	856,746	-	200,712
Local authorities and CCG	-	130,949	130,949	-	-
	£199,367	£1,090,016	£1,034,466	-	£254,917

		Movement in funds			
	Balance 1 April 2019	Incoming Resource	Resources Expended	Transfer	Balance 30 March 2020
Carlton Hayes Mental Health Charity	-	27,000	18,676	(5,239)	3,085
Funds held for other charitable institutions	26,234	-	-	-	26,234
Leicester Children's Aid Association	3,681	3,364	1,006	-	6,039
Other funds held for distribution to the needy	200,650	374,436	411,077	-	164,009
Local Authorities and CCGs	-	21,273	21,273	-	-
	£230,565	£426,073	£452,032	£(5,239)	£199,367

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

15 Restricted funds (continued)

- The Carlton Hayes Mental Health Charity makes grants for people in need living in Leicestershire and Rutland who are experiencing mental health problems
- The funds held for other charitable institutions are block grant arrangements with companies and individual donors which help institutions engaged in charitable activities
- Leicester Children's Aid Association assists children and young people resident in the city of Leicester under the age of 18 with grants to promote their education and welfare.
- Leicester City Council and Leicestershire County Council support the activities of the charity in order to reduce poverty and distress in the city of Leicester and county of Leicestershire respectively. The three Clinical Commissioning Groups operating in Leicestershire and Rutland support the activities of the charity in seeking out funding for equipment, aids and adaptions that help disabled people to retain their independence.

16 Analysis of net assets between funds

Group	Unrestricted fund	Restricted Fund	Designated Funds	Endowment Funds	Total Funds 2021	Total Funds 2020
Fund balances at 31 March 2021 are represented by:						
Tangible fixed assets	166,771	-	-	-	166,771	184,763
Investments	-	-		69,365	69,365	56,501
Current assets	265,671	324,103	125,000	3,971	718,745	435,387
Creditors: amounts falling due within one year	(102,835)	(69,186)	-	-	(172,021)	(106,259)
Creditors: amounts falling due after one year	(133,000)	-	-	-	(133,000)	(167,000)
	£196,607	£254,917	£125,000	£73,336	£649,860	£403,392
Company Fund balances at 31 March 2021 are represented by:						
Tangible fixed assets	162,500				162,500	175,000
Investments	100		-	69,365	69,465	56,601
Current assets	309,799	324,103	125,000	3,971	762,873	510,061
Creditors: amounts falling due within one year	(84,460)	(69,186)			(153,646)	(99,649)
Creditors: amounts falling due after one year	(133,000)	-	-	-	(133,000)	(167,000)
	£254,939	£254,917	£125,000	£73,336	£708,192	£475,013

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

				Endowment Funds	Total Funds 2021	Total Funds 2020
Unrealised gains/(losses) included above:						
On investments (see below)				£6,859	£6,859	£6,859
Reconciliation of movements in unrealised Gains/(losses) on investment assets						
Unrealised gains at 1 April 2020	-	-	-	(7,004)	(7,004)	5,891
Deduct in respect of disposals in year	-	-	-	144	144	(557)
	-	-	-	(6,860)	(6,860)	5,334
Net reduction arising in year	-	-	-	13,719	13,719	(12,338)
Unrealised deficit at 31 March 2021	£-	£-	£-	£6,859	£6,859	£(7,004)

17 Endowment funds

The Endowment Funds relate to Leicester Children's Aid Association which was transferred into the Charity on 29 October 2007 together with the net funds of Connection, another locally based Charity which merged with Leicester Children's Aid Association in 2008.

18 Designated funds

The designated property fund is to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034. During the year £25,000 was transferred to the fund.

19 Related Party Transactions

During the year, administration fees and grants were received from the following charities in which some or all of the Trustees of Leicester Charity Organisation Society are also Trustees:-

	2021 £	2020 £
Leicester Indigent Old Age Society	4,014	3,752
The Mansion Trust (UK)	3,214	2,222
The Nicholson Memorial Fund (Rosehill Trust)	14,509	17,489
R Daphne Plunket Charitable Trust	14,020	12,430
Edward Wood Poor Widows	1,421	1,138
Alderman Newton's Educational Foundation	13,112	13,138

The trustee, A H Jarvis is also a director of the charity's investment advisors Rowley Turton (IFA) Limited. During the year the charitable company paid £379 in respect of investment management charges to Rowley Turton (IFA) Limited. A H Jarvis retired as a director of the investment advisors on 30 June 2020.

During the year the Charitable Company traded with its subsidiary, The Goods Depot Limited. The Charitable Company met certain costs of The Goods Depot Limited totalling £3,768. At 31 March 2021 the total amount owed to the Charitable Company was £114,726 (2020 - £110,958). There is no formal agreement in place and the total amount due is repayable on demand.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

The Secretary and Director of Operations of the Charitable Company is also a director of The Goods Depot Limited.

There was no trustees remuneration paid.

20 Transfer between funds

During the year, Leicester Charity Organisation Society transferred £25,000 from the unrestricted fund to the designated property fund to be used for the purpose of purchasing freehold office accommodation for the Charity when the lease on its current premises comes to an end in 2034.

21 Lease commitments

The Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£6,750	£20,250

The Charity

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£Nil	£Nil

22 Contingent Liability

The Charitable company has guaranteed the lease payments of The Goods Depot Limited on the leasehold premises from which that company operates. At 31 March 2021 the lease commitment amounted to £6,750.

23 Reconciliation of net income to net cash flow from operations

	2021	2020
Net movement in funds	246,468	29,060
Depreciation of tangible fixed assets	17,992	17,992
Gains on investments	(13,811)	12,291
Investment income	(17,722)	(21,273)
Decrease (Increase) in stock	1,106	(12,298)
(Increase) Decrease in debtors	(218,906)	28,963
Increase/(Decrease) in creditors	31,762	(62,383)
Net cash inflow (outflow) from operations	£46,889	£(7,648)