

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

### CONTENTS

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	Page
Legal and administrative details	1
Trustees' report	2 - 7
Auditor's report	8 - 11
Consolidated Statement of financial activities	12 - 13
Consolidated Balance sheet	14
Balance Sheet	15
Consolidated Statement of Cashflows	16
Notes to the accounts	17 - 31

# LEICESTER CHARITY ORGANISATION SOCIETY

## LEGAL AND ADMINISTRATIVE DETAILS

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Trustees	A H Jarvis ( <i>Treasurer</i> ) G Oliver C A Pharoah C E Smith ( <i>Chairman</i> ) 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

# LEICESTER CHARITY ORGANISATION SOCIETY

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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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.



## LEICESTER CHARITY ORGANISATION SOCIETY

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### *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.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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*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.

## LEICESTER CHARITY ORGANISATION SOCIETY

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### *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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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 long-term 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.

## LEICESTER CHARITY ORGANISATION SOCIETY

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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**

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**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.



## LEICESTER CHARITY ORGANISATION SOCIETY

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

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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.

## LEICESTER CHARITY ORGANISATION SOCIETY

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

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#### 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



LEICESTER CHARITY ORGANISATION SOCIETY

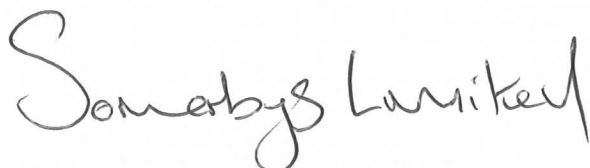
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEICESTER CHARITY ORGANISATION SOCIETY (CONTINUED)

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**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

29 November 2022

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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**

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

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**

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

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	<u>2022</u>	<u>2021</u>
<b>Fixed assets</b>			
Tangible assets	9	150,000	166,771
Investments	10	75,218	69,365
		<hr/>	<hr/>
		225,218	236,136
<b>Current assets</b>			
Stock	11	13,863	16,741
Debtors	12	411,907	311,014
Cash at bank and in hand		239,933	390,990
		<hr/>	<hr/>
		665,703	718,745
<b>Creditors: amounts falling due within one year</b>	13	<hr/> (216,651)	<hr/> (172,021)
<b>Net current assets</b>		449,052	546,724
<b>Creditors: amounts falling due after one year</b>	14	<hr/> (25,000)	<hr/> (133,000)
<b>Total assets</b>		<hr/> £649,270	<hr/> £649,860
<b>Capital fund</b>			
Endowment	17	75,992	73,336
Designated funds	18	140,000	125,000
<b>Income funds</b>			
Restricted funds	15	137,590	254,917
Unrestricted funds		295,688	196,607
		<hr/>	<hr/>
		£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	<u>2022</u>	<u>2021</u>
<b>Fixed assets</b>			
Tangible assets	9	150,000	162,500
Investments	10	75,218	69,365
Investment in subsidiary	10	100	100
		<hr/>	<hr/>
		225,318	231,965
<b>Current assets</b>			
Debtors	12	454,964	412,484
Cash at bank and in hand		212,062	350,488
		<hr/>	<hr/>
		667,026	762,972
<b>Creditors: amounts falling due within one year</b>	13	(161,410)	(153,745)
		<hr/>	<hr/>
<b>Net current assets</b>		505,616	609,227
<b>Creditors: amounts falling due after one year</b>	14	(25,000)	(133,000)
		<hr/>	<hr/>
<b>Total assets</b>		<u>£705,934</u>	<u>£708,192</u>
<b>Capital fund</b>			
Endowment	17	75,992	73,336
Designated funds	18	140,000	125,000
<b>Income funds</b>			
Restricted funds	15	158,244	254,917
Unrestricted funds		331,698	254,939
		<hr/>	<hr/>
		<u>£705,934</u>	<u>£708,192</u>

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

NOTES TO THE ACCOUNTS (CONTINUED)  
YEAR ENDED 31 MARCH 2022

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**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 of 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 2022

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**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 applicable, 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.



## LEICESTER CHARITY ORGANISATION SOCIETY

### NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2022

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#### 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.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2022**

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).

<b>2 Voluntary income</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2022</b>	<b>2021</b>
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	-
	<u>£306,672</u>	<u>£1,308,840</u>	<u>£1,615,512</u>	<u>£1,263,669</u>
<b>3 Investment income</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2022</b>	<b>2021</b>
Rental income	14,800	-	14,800	14,800
Income from listed investments	790	2,656	3,446	2,738
Interest receivable	45	-	45	184
	<u>£15,635</u>	<u>£2,656</u>	<u>£18,291</u>	<u>£17,722</u>

# LEICESTER CHARITY ORGANISATION SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2022

### 4 Incoming resources from charitable activities

Grants receivable for charitable activities	2022	2021
<b>Unrestricted funds:</b>		
Leicester City Council	112,258	66,498
Leicestershire County Council	15,085	15,171
	<u>127,343</u>	<u>81,669</u>
<b>Restricted funds:</b>		
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
	<u>20,442</u>	<u>130,949</u>
<b>Total</b>	<u>£147,785</u>	<u>£212,618</u>

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
<b>Costs of generating funds:</b>					
Fundraising and publicity	72,119	-	16,181	88,300	71,210
<b>Charitable Activity – Relief of Poverty:</b>					
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
	<u>399,131</u>	<u>16,771</u>	<u>1,455,589</u>	<u>1,871,491</u>	<u>1,262,977</u>
	<u>£471,250</u>	<u>£16,771</u>	<u>£1,471,770</u>	<u>£1,959,791</u>	<u>£1,334,187</u>

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	<u>£11,818</u>	<u>£15,914</u>

# LEICESTER CHARITY ORGANISATION SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2022

### 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
	<u>£1,428,334</u>	<u>£903,139</u>

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
	<u>£7,000</u>	<u>£17,814</u>

### 7 Employees

#### Number of employees

The average monthly number of employees during the year was:	21	18
The number of part time employees was	<u>14</u>	<u>13</u>

#### Employment costs

Wages and salaries	415,687	363,006
Social security costs	29,639	18,849
Other pension costs	25,924	23,144
	<u>£471,250</u>	<u>£404,999</u>

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).

LEICESTER CHARITY ORGANISATION SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)  
YEAR ENDED 31 MARCH 2022

8 Other costs

<b>Fundraising and publicity</b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Promotion expenses	15,692	4,152
Investment management fees	489	379
	<hr/>	<hr/>
	£16,181	£4,531
	<hr/>	<hr/>
<b>Charitable activity administration costs</b>		
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
	<hr/>	<hr/>
	£138,402	£91,171
	<hr/>	<hr/>

LEICESTER CHARITY ORGANISATION SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)  
YEAR ENDED 31 MARCH 2022

9 Group  
Tangible fixed assets

	Leasehold property	Fixtures Fittings & equipment	Motor Vehicle	Total
<b>Cost/Valuation</b>				
At 31 March 2021	237,500	38,633	16,640	292,773
Additions	-	-	-	-
Disposal	-	-	-	-
<b>At 31 March 2022</b>	<b>£237,500</b>	<b>£38,633</b>	<b>£16,640</b>	<b>£292,773</b>
<b>Depreciation</b>				
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	-	-	-	-
<b>At 31 March 2022</b>	<b>£87,500</b>	<b>£38,633</b>	<b>£16,640</b>	<b>£142,773</b>
<b>Net book value</b>				
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
<b>Cost/Valuation</b>			
At 31 March 2021	237,500	38,633	276,133
Additions	-	-	-
Disposal	-	-	-
<b>At 31 March 2022</b>	<b>£237,500</b>	<b>£38,633</b>	<b>£276,133</b>
<b>Depreciation</b>			
At 31 March 2021	75,000	38,633	113,633
Charge for the year	12,500	-	12,500
Eliminated on disposal	-	-	-
<b>At 31 March 2022</b>	<b>£87,500</b>	<b>£38,633</b>	<b>£126,133</b>
<b>Net book value</b>			
At 31 March 2021	£150,000	£Nil	£150,000
At 31 March 2022	£162,500	£Nil	£162,500

**LEICESTER CHARITY ORGANISATION SOCIETY**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2022**

**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	<u>2,656</u>
<b>Market value at 31 March 2022</b>	<b><u>£75,218</u></b>
Historical cost:	
<b>At 31 March 2022</b>	<b><u>£65,703</u></b>
Historical cost:	
<b>At 31 March 2021</b>	<b><u>£62,506</u></b>

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:

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

LEICESTER CHARITY ORGANISATION SOCIETY  
NOTES TO THE ACCOUNTS (CONTINUED)  
YEAR ENDED 31 MARCH 2022

11 Stocks

	Group		Charity	
	2022	2021	2022	2021
Goods for resale	<u>13,863</u>	<u>£16,741</u>	<u>£-</u>	<u>£-</u>

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
	<u>£411,907</u>	<u>£311,014</u>	<u>£454,964</u>	<u>£412,484</u>

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
	<u>£216,651</u>	<u>£172,021</u>	<u>£161,410</u>	<u>£153,745</u>



**LEICESTER CHARITY ORGANISATION SOCIETY**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2022**

**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.

	<u>2022</u>	<u>2021</u>
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	<u>£39,000</u>	<u>£178,000</u>
Due within 1 year	<u>£14,000</u>	<u>£45,000</u>
Due after 1 year	<u>£25,000</u>	<u>£133,000</u>
Amounts payable by instalments after 5 years	<u>-</u>	<u>-</u>

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:

	<u>March</u> <u>2022</u>	<u>March</u> <u>2021</u>	<u>March</u> <u>2020</u>	<u>March</u> <u>2019</u>
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.

**LEICESTER CHARITY ORGANISATION SOCIETY**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2022**

**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	Incoming Resource	Movement in funds		Balance 31 March 2022
			Resources Expended	Grants awarded but unspent	
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	-	-
	<u>£254,917</u>	<u>£1,331,938</u>	<u>£1,428,611</u>	<u>20,654</u>	<u>£137,590</u>

	Balance 1 April 2020	Incoming Resource	Movement in funds		Balance 30 March 2021
			Resources Expended	Transfer	
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	-	-
	<u>£199,367</u>	<u>£1,090,016</u>	<u>£1,034,466</u>	<u>-</u>	<u>£254,917</u>

# LEICESTER CHARITY ORGANISATION SOCIETY

## 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 adaptations 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
<b>Fund balances at 31 March 2022 are represented by:</b>						
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)
	<u>£295,688</u>	<u>£137,590</u>	<u>£140,000</u>	<u>£75,992</u>	<u>£649,270</u>	<u>£649,860</u>
<b>Company Fund balances at 31 March 2022 are represented by:</b>						
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)
	<u>£331,698</u>	<u>£158,244</u>	<u>£140,000</u>	<u>£75,992</u>	<u>£705,934</u>	<u>£708,192</u>

# LEICESTER CHARITY ORGANISATION SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2021

				Endowment Funds	Total Funds 2022	Total Funds 2021
<b>Unrealised gains/(losses) included above:</b>						
On investments (see below)				£9,515	9,515	£6,859
<b>Reconciliation of movements in unrealised Gains/(losses) on investment assets</b>						
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.

# LEICESTER CHARITY ORGANISATION SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2021

### 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