



Smailes Goldie
CHARTERED ACCOUNTANTS

REGISTERED COMPANY NUMBER: 04012143 (England and Wales)

REGISTERED CHARITY NUMBER: 1094807

The Freedom Community Trust Limited

Consolidated Financial Statements

31st March 2024



SD-0215346-1-6



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CHARTERED
ACCOUNTANTS



The Freedom Community Trust Limited

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The Freedom Community Trust Limited

Reference and Administrative Details

Trustees	S J Alltoft
	J Boyd
	H C Bridges
	H McConnell
	R Norman
	Rev R P Phillips
	S Sheppard
Secretary	S Garnett
Registered Office	The Freedom Centre 97 Preston Road Hull East Yorkshire HU9 3QB
Company Registration Number	04012143
Charity Registration Number	1094807
Auditor	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull East Yorkshire HU2 8BA
Bankers	Virgin Money 214 Holderness Road Hull HU9 2AA

The Freedom Community Trust Limited

Trustees' Report

Chair's Statement

We are here to improve the quality of life for the people who live in our communities in east Hull. There are plenty of statistics that show what the challenges are, from financial issues, finding employment, getting the right skills, and the impacts that these issues have on people's health. Whilst these issues have a great impact on the lives of our communities, it's not what defines them. And as an integral part of the community, it's not what defines us. Our focus remains on being proactive, working as part of the community, to be a positive force, bringing people together, making great memories and bringing joy to life. So, whilst many of the tasks we undertake directly alleviate poverty, break down barriers, bring people out of isolation, improve life chances and benefit people's health, it is important to remember that we do this in celebration of the community we are part of, as an integral part of the positivity and strength that can be found here in abundance.

As ever we deliver most of our work through the Freedom Centre and we are grateful to the team for their continued commitment to supporting the community. In particular their hard work in developing new skills to secure grant funding from a wide source of funders and private partners has been much appreciated by trustees.

In addition to the day-to-day work of supporting community groups to beat isolation and provide low-cost high-quality food, the team has delivered a number of exceptional projects that have made a real difference for the community, including:

- Innovative community events throughout the year, from indoor camping and nature-based crafts, science events and animal encounters, the range of activities has been amazing. All of our events include free food for the children, giving additional support particularly at challenging times such as school holidays.
- Another summer programme of events, with lots of free events for families, including two free family fun days, with a petting zoo and plenty to do for all the family. The unicorns that visited will be long be remembered by all who saw them.
- Continued provision of free items to support adults, children and families including hygiene packs (toothbrushes, toothpaste, shower gels and much more), women's sanitary products, sun protection kits (hats, cream water and advice) for children and other items.
- A free uniform swapping service with hundreds of items sorted, cleaned and given away, saving the community thousands. Staff took many items and washed them themselves at home.
- A comprehensive winter support programme for older people, including free gym passes, a two-course meal with hot drink for £1, free energy advice and free equipment including blankets.
- Free flood support equipment is now available including pumps and absorbent mats so that we can help the community quickly should the need arise.
- Events over Christmas included a visit from the real Father Christmas, free gifts for the children and a free letter from Father Christmas posted to the homes of all children who wrote to him via our post box.
- Provision of free public WiFi
- Extensive support for Hull's Truth and Poverty Commission

We are grateful to Tess (Hull) Ltd, Vic Coupland Ltd, MS3 Networks, Hull City Council, the Humberside Police and Crime Commissioner, Cranswick Foods plc, the National Lottery Community Fund, Power to Change and many others for their continued support.

The Freedom Community Trust Limited

Trustees' Report

As we look to the future the challenges that we face, both as a community and an organisation, continue to develop, we know that there will always be more to do. We are grateful for what we have delivered so far in such difficult times, and will continue our journey, challenging ourselves to deliver more for our community in the years to come.

Sue Sheppard – Chair

ACHIEVEMENTS AND PERFORMANCE

Our highlights include (but are not limited to):

Objective	What we did
The relief of poverty and unemployment	<p>Provision of low-cost food through the Freedom Centre Cafe and the continuation of our Freedom Fresh Food project in partnership with EMS and the incredible generosity of Cranswick Foods.</p> <p>Provision of free gym passes, two course meals for £1 and free equipment such as blankets.</p> <p>Provision of free female sanitary products.</p> <p>Provision of free hygiene products for children, adults and families.</p> <p>Provision of free community events including fund days, craft events, animal encounters, and educational events (such as science based interactive events)</p> <p>Provision of free sun protection kits for children including advice</p> <p>Provision of free energy advice</p> <p>Provision of support to Hull's Poverty Truth Commission</p>
The advancement of education, training, or retraining	We continue the support of adult education, library, and community ICT services to and ensure that all communities get the best access skills and training.
The provision of financial assistance, technical assistance, advisory and counselling services, business advice or consultancy	<p>Support given to start-up businesses including technical and financial support. This included help to access covid support grants to ensure they could continue to operate through the pandemic.</p> <p>Support for youth enterprise continues along with support for care leavers to access work and other related support.</p>
The provision of facilities for recreational and leisure time and the organisation of leisure activities	Supported the work of the Freedom Centre to deliver recreational facilities and positive social experiences and family activities, providing much needed relief in difficult times.
The protection or conservation of the environment	<p>Provision of free flood alleviation equipment</p> <p>Programme to convert to low energy usage fittings continues</p>
The holding of exhibitions, meetings, etc.	Continued to deliver exhibitions, meetings and opportunities for the community to gather

The Freedom Community Trust Limited

Trustees' Report

Objective	What we did
The promotion of public safety and prevention of crime	<p>CCTV upgrade completed with support from the Police and Crime Commissioner</p> <p>We continue to work closely with all agencies including police, housing providers and local authority continues to address issues.</p>
The promotion of health and healthy lifestyles	<p>We provided location support to a wide range of health promotion charities and the NHS to spread positive messages about health.</p> <p>Our community gym continued to provide an exceptional value service to its members.</p> <p>Our café provided low-cost high-quality food for the community</p>

Financial review

The charity's income for the year ended 31 March 2024 was £785,755 (2023: £793,605). The total outgoing resources amounted to £1,237,464 (2023: £1,221,545) resulting in a deficit of £451,709 (2023: £427,940).

The charity had unrestricted reserves of £7,520,213 (2023: £7,972,722) and restricted reserves of £18,406 (2023: £17,606). Taking into account the nature of the charity's income streams, the trustees are of the view that reserves at these levels are sufficient.

Plans for future periods

We anticipate that we will continue to see increasing demands for support, rising delivery costs and continued pressure on revenues. However, we will continue our commitment to deliver our objectives. We are hopeful that providers in the funding market will be returning to support community priorities.

Objective	Our plans
The relief of poverty and unemployment	<p>We will continue to work with partners to improve opportunities to access skills and find employment.</p> <p>Continued partnering with EMS to help reduce household expenditure on utilities and food, reducing poverty</p> <p>Continue to partner with PROBE and others to support skills and employability</p>
The advancement of education, training, or retraining	<p>We will continue to work with partners to improve opportunities to access skills and find employment.</p> <p>Continued partnering with EMS to help reduce household expenditure on utilities and food, reducing poverty</p> <p>Continue to partner with PROBE and others to support skills and employability</p>

The Freedom Community Trust Limited

Trustees' Report

Plans for future periods

Objective	Our plans
The provision of financial assistance, technical assistance, advisory and counselling services, business advice or consultancy	<p>We will continue to work with partners to improve opportunities to access skills and find employment</p> <p>Continued partnering with EMS to help reduce household expenditure on utilities and food, reducing poverty</p> <p>Continue to partner with PROBE and others to support skills and employability</p>
The provision of facilities for recreational and leisure time and the organisation of leisure activities	<p>Supporting the work of the Freedom Centre to deliver recreational facilities and positive social experiences</p> <p>Develop existing community groups</p> <p>Encourage new community groups to form</p>
The protection or conservation of the environment	Working with partners and others to explore ways of ensuring the development towards sustainability of the local environment
The holding of exhibitions, meetings, etc.	Supporting the Freedom Centre to provide exceptional quality facilities to the benefit of the wider community
The promotion of public safety and prevention of crime	We will seek continued improvements in the security of the area working closely with agencies such as the police.
The promotion of health and healthy lifestyles	Supporting or co-ordinating health promoting charities, volunteer groups, statutory bodies, and the objectives of national programmes.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Freedom Community Trust Limited

Trustees' Report

- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Disclosure of information to auditor

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

Reappointment of auditor

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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


S Sheppard
Trustee

The Freedom Community Trust Limited

Independent Auditor's Report to the Members of The Freedom Community Trust Limited

Opinion

We have audited the financial statements of The Freedom Community Trust Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity'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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

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

The Freedom Community Trust Limited

Independent Auditor's Report to the Members of The Freedom Community Trust Limited

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.

Opinion on other matter 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 and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' Report.

We have nothing to report in respect of the following matters where 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 returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 6), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Freedom Community Trust Limited

Independent Auditor's Report to the Members of The Freedom Community Trust Limited

Auditor 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.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations, health and safety legislation, health and social care regulations and childcare regulations. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

The Freedom Community Trust Limited

Independent Auditor's Report to the Members of The Freedom Community Trust Limited

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Luke Taylor BSc (Hons), FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie, Statutory Auditor

Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Date:.....

The Freedom Community Trust Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024

(Including Consolidated Income and Expenditure Account and Statement of
Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Charitable activities	2	2,698	54,327	57,025	64,400
Trading activities		225,678	-	225,678	237,791
Investment income	3	484,563	-	484,563	485,472
Other income		18,489	-	18,489	5,942
Total income		<u>731,428</u>	<u>54,327</u>	<u>785,755</u>	<u>793,605</u>
Expenditure on:					
Raising funds	4	(128,405)	-	(128,405)	(131,959)
Charitable activities	5	<u>(1,055,532)</u>	<u>(53,527)</u>	<u>(1,109,059)</u>	<u>(1,089,586)</u>
Total expenditure		<u>(1,183,937)</u>	<u>(53,527)</u>	<u>(1,237,464)</u>	<u>(1,221,545)</u>
Net (expenditure)/income		<u>(452,509)</u>	<u>800</u>	<u>(451,709)</u>	<u>(427,940)</u>
Net movement in funds		(452,509)	800	(451,709)	(427,940)
Reconciliation of funds					
Total funds brought forward		<u>7,972,722</u>	<u>17,606</u>	<u>7,990,328</u>	<u>8,418,268</u>
Total funds carried forward	21	<u>7,520,213</u>	<u>18,406</u>	<u>7,538,619</u>	<u>7,990,328</u>

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

The funds breakdown for 2023 is shown in note 21.

The notes on pages 15 to 31 form an integral part of these financial statements.

The Freedom Community Trust Limited
(Registration number: 04012143)
Consolidated Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	7,070,852	7,535,437
Current assets			
Stocks	14	1,365	1,837
Debtors	15	63,801	60,110
Cash at bank and in hand		<u>557,624</u>	<u>500,665</u>
		622,790	562,612
Creditors: Amounts falling due within one year	16	<u>(155,023)</u>	<u>(107,721)</u>
Net current assets		<u>467,767</u>	<u>454,891</u>
Net assets		<u>7,538,619</u>	<u>7,990,328</u>
Funds of the group:			
Restricted income funds			
Restricted funds		18,406	17,606
Unrestricted income funds			
Unrestricted funds		<u>7,520,213</u>	<u>7,972,722</u>
Total funds	21	<u>7,538,619</u>	<u>7,990,328</u>

The financial statements on pages 11 to 31 were approved by the trustees, and authorised for issue on and signed on their behalf by:


S Sheppard
Trustee

The Freedom Community Trust Limited

(Registration number: 04012143)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	7,050,602	7,516,994
Investments		<u>10</u>	<u>10</u>
		<u>7,050,612</u>	<u>7,517,004</u>
Current assets			
Debtors	15	31,284	33,239
Cash at bank and in hand		<u>474,477</u>	<u>366,035</u>
		505,761	399,274
Creditors: Amounts falling due within one year	16	<u>(73,708)</u>	<u>(31,881)</u>
Net current assets		<u>432,053</u>	<u>367,393</u>
Net assets		<u>7,482,665</u>	<u>7,884,397</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		18,406	17,606
Unrestricted income funds			
Unrestricted funds		<u>7,464,259</u>	<u>7,866,791</u>
Total funds	21	<u>7,482,665</u>	<u>7,884,397</u>

The financial statements on pages 11 to 31 were approved by the trustees, and authorised for issue on and signed on their behalf by:


S Sheppard
Trustee

The Freedom Community Trust Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(451,709)	(427,940)
Adjustments to cash flows from non-cash items			
Depreciation	4	474,602	476,767
Investment income	3	<u>(484,563)</u>	<u>(485,472)</u>
		(461,670)	(436,645)
Working capital adjustments			
Decrease in stocks	14	472	250
(Increase)/decrease in debtors	15	(3,691)	5,008
Increase in creditors	16	<u>47,302</u>	<u>9,187</u>
Net cash flows from operating activities		<u>(417,587)</u>	<u>(422,200)</u>
Cash flows from investing activities			
Interest receivable and similar income	3	484,563	485,472
Purchase of tangible fixed assets	12	<u>(10,017)</u>	<u>(14,170)</u>
Net cash flows from investing activities		<u>474,546</u>	<u>471,302</u>
Net increase in cash and cash equivalents		56,959	49,102
Cash and cash equivalents at 1 April		<u>500,665</u>	<u>451,563</u>
Cash and cash equivalents at 31 March		<u><u>557,624</u></u>	<u><u>500,665</u></u>

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

The notes on pages 15 to 31 form an integral part of these financial statements.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies

Statement of compliance

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

Basis of preparation

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made net outgoing resources for the financial year of £401,732 (2023 - deficit of £441,415).

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

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

Income and endowments

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

Donations and legacies

Voluntary income is recognised once the Charity has been able to establish certainty as to the timing and amount of the income.

Investment income

Investment income received in respect of the letting of premises is recognised in the Statement of Financial Activities in the period to which it relates.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any value added tax which cannot be recovered. Costs associated with the provision of the premises from which the Charity derives its investment income are classified as costs of raising funds, whilst all remaining costs, excluding governance costs, are treated as supporting the grant making activities and classified as appropriate.

Grants in furtherance of the Charity's objectives are recorded on the basis of the liability arising in the period.

Taxation

The company, as a registered Charity, has obtained exemption from corporation tax. Charitable tax exemptions can therefore be claimed to the extent that income and/or gain are applicable and applied for charitable purposes only. Value added tax is absorbed as part of the operational costs of the company to the extent that it is not able to be recovered under the terms of its registration.

Tangible fixed assets

Fixed assets are initially recorded at cost.

All land and buildings are classified as mixed motive investments held for a combination of the financial return they generate and the contribution their use by the subsidiary and other parties makes to the investing Charity's own purposes. However the trustees consider it impractical to apportion the properties between tangible fixed assets and investment properties such that all properties are classed as tangible fixed assets.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Freehold Buildings	Straight line over 25 or 50 years
Freehold Land	Nil
Leasehold Buildings	Straight line over the term of the lease
Fixtures & Fittings	Straight line over 3 to 5 years

Fixed asset investments

Fixed asset investments are included at cost less any provision for permanent diminution in value.

Stock

Stocks are stated at the lower of cost or estimated selling price less costs to complete and sell. At each reporting date an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the Statement of Financial Activities. Reversals of impairment losses are also recognised in the Statement of Financial Activities.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

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

Operating leases

Leases which do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases.

Income from operating leases is recognised in the Statement of Financial Activities on a straight line basis over the lease term. Costs incurred in earning the lease income are recognised as costs of raising funds.

Operating lease expenses are recognised as an expense over the lease term on a straight line basis.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Pensions and other post retirement obligations

The subsidiary undertaking Preston Road Enterprises Limited makes payments to a money purchase pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Classification

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Recognition and measurement

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Big Lottery - Freedom Fresh Food	-	52,248	52,248	48,458
Big Lottery - Fire Alarm Panel	-	-	-	9,500
Office of the Police and Crime Commissioner	-	-	-	5,211
HERCT Funding	-	2,079	2,079	-
Other donations	2,698	-	2,698	1,231
	<u>2,698</u>	<u>54,327</u>	<u>57,025</u>	<u>64,400</u>

3 Investment income

	Total 2024 £	Total 2023 £
Rents and service charges receivable	<u>484,563</u>	<u>485,472</u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

4 Expenditure on raising funds

a) Costs of trading activities

	General funds £	Restricted funds £	Total 2024 £	Total 2023 £
Costs of goods sold	60,149	-	60,149	61,884
Property management costs	68,256	-	68,256	70,075
	<u>128,405</u>	<u>-</u>	<u>128,405</u>	<u>131,959</u>

5 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Community services & facilities	<u>481,047</u>	<u>628,012</u>	<u>1,109,059</u>	<u>1,089,586</u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Analysis of support costs

Charitable activities expenditure

	Total 2024 £	Total 2023 £
Management	38,876	31,967
Finance	30,988	30,857
Information technology	372	469
Human resources	69,174	72,571
Premises costs	-	14,949
Governance costs	14,000	13,175
Depreciation	474,602	476,767
	<u>628,012</u>	<u>640,755</u>

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Audit fees	14,000	13,175
Depreciation of fixed assets	474,602	476,767

8 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

S Sheppard

£300 (2023: £300) of expenses were reimbursed to S Sheppard during the year.

These were for telephone, internet and other expenses.

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

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	390,920	351,499
Social security costs	25,692	23,370
Pension costs	9,146	8,511
	<u>425,758</u>	<u>383,380</u>

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

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Taxation

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

11 Comparative Statement of Financial Activity

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Charitable activities	2	1,231	63,169	64,400
Trading activities		237,791	-	237,791
Investment income	3	485,472	-	485,472
Other income		5,942	-	5,942
Total income		<u>730,436</u>	<u>63,169</u>	<u>793,605</u>
Expenditure on:				
Raising funds	4	(131,959)	-	(131,959)
Charitable activities	5	<u>(1,024,191)</u>	<u>(65,395)</u>	<u>(1,089,586)</u>
Total expenditure		<u>(1,156,150)</u>	<u>(65,395)</u>	<u>(1,221,545)</u>
Net expenditure		<u>(425,714)</u>	<u>(2,226)</u>	<u>(427,940)</u>
Net movement in funds		(425,714)	(2,226)	(427,940)
Reconciliation of funds				
Total funds brought forward		<u>8,398,436</u>	<u>19,832</u>	<u>8,418,268</u>
Total funds carried forward	21	<u><u>7,972,722</u></u>	<u><u>17,606</u></u>	<u><u>7,990,328</u></u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

12 Tangible fixed assets

Group	Freehold property £	Long leasehold £	Fixtures and Fittings £	Plant and Machinery £	Total £
Cost					
At 1 April 2023	12,975,971	3,843,682	71,083	276,229	17,166,965
Additions	-	-	-	10,017	10,017
Disposals	-	-	(27,167)	(171,383)	(198,550)
At 31 March 2024	12,975,971	3,843,682	43,916	114,863	16,978,432
Depreciation					
At 1 April 2023	6,759,925	2,552,154	61,666	257,783	9,631,528
Charge for the year	312,979	146,125	7,288	8,210	474,602
Eliminated on disposals	-	-	(27,167)	(171,383)	(198,550)
At 31 March 2024	7,072,904	2,698,279	41,787	94,610	9,907,580
Net book value					
At 31 March 2024	5,903,067	1,145,403	2,129	20,253	7,070,852
At 31 March 2023	6,216,046	1,291,528	9,417	18,446	7,535,437
Charity					
	Freehold property £	Long leasehold £	Fixtures and Fittings £	Total £	
Cost					
At 1 April 2023	12,975,971	3,843,682	71,083	16,890,736	
Disposals	-	-	(27,167)	(27,167)	
At 31 March 2024	12,975,971	3,843,682	43,916	16,863,569	
Depreciation					
At 1 April 2023	6,759,921	2,552,154	61,667	9,373,742	
Charge for the year	312,979	146,125	7,288	466,392	
Eliminated on disposals	-	-	(27,167)	(27,167)	
At 31 March 2024	7,072,900	2,698,279	41,788	9,812,967	
Net book value					
At 31 March 2024	5,903,071	1,145,403	2,128	7,050,602	
At 31 March 2023	6,216,050	1,291,528	9,416	7,516,994	

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

All leasehold and freehold land and buildings are considered to be mixed motive investments held for a combination of their financial return and contribution they make to the objectives of the Charity. However, the trustees consider it impractical to make an apportionment between functional property and investment property such that all properties are classed as tangible fixed assets.

13 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2023	10	10
At 31 March 2024	10	10
Net book value		
At 31 March 2024	10	10
At 31 March 2023	10	10

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Preston Road Enterprises Limited	England and Wales	Ordinary	100%	100%	Function/meeting facilities

Subsidiary undertakings

In the opinion of the directors, the value of the company's investment in its subsidiary undertaking is not less than the amount at which it is stated in the balance sheet.

	2024 £	2023 £
Turnover	779,401	803,274
Expenditure	(748,553)	(711,510)
Net profit/(loss)	30,848	91,764
Reserves	55,961	105,938

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Stock

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Stocks	<u>1,365</u>	<u>1,837</u>	<u>-</u>	<u>-</u>

15 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	38,777	39,354	25,265	33,239
Other debtors	<u>25,024</u>	<u>20,756</u>	<u>6,019</u>	<u>-</u>
	<u>63,801</u>	<u>60,110</u>	<u>31,284</u>	<u>33,239</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	31,776	36,708	16,167	18,571
Other taxation and social security	17,456	20,169	1,396	1,888
Other creditors	15,631	3,671	15,631	3,671
Accruals and deferred income	<u>90,160</u>	<u>47,173</u>	<u>40,514</u>	<u>7,751</u>
	<u>155,023</u>	<u>107,721</u>	<u>73,708</u>	<u>31,881</u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Within one year	3,672	5,656	2,083	2,083
Between one and five years	9,079	10,668	8,332	8,332
After five years	211,342	213,425	211,342	213,425
	<u>224,093</u>	<u>229,749</u>	<u>221,757</u>	<u>223,840</u>

Minimum lease payments due to the charitable company and the group under non-cancellable operating leases fall due as follows:

	2024	2023	2024	2023
	Group	Group	Charity	Charity
	£	£	£	£
Within one year	224,267	336,258	138,462	247,453
Between one and five years	352,147	813,138	466,500	889,487
Over five years	55,383	673,150	45,225	699,906
	<u>631,797</u>	<u>1,822,546</u>	<u>650,187</u>	<u>1,836,846</u>

18 Employee benefit obligations

From 31 March 2010, all staff are employed by the subsidiary undertaking, Preston Road Enterprises Limited, which is responsible for all staff pension contributions.

19 Contingent assets

Group

During 2005 the company successfully defended an employment tribunal case brought by a former employee. The company was awarded costs of £10,197 which the claimant was not immediately able to pay. The amount of costs plus accrued interest at 8% per annum is now secured against the claimant's private residence and will be settled when the property is sold.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Contingent liabilities

Group

The terms of the company's original funding agreement with Government office provide that if fixed assets are sold or their ownership transferred while they have any economic value, Government Office must be notified as soon as possible and they may require the proceeds or an appropriate proportion thereof to be repaid.

The Village Childcare Centre was in part funded by the National Lottery. In the event that the building is sold 6.6% of the market value (being the proportion of the original construction costs funded by the donor) will be repayable to the donor under the terms of the grant.

21 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	7,972,722	731,428	(1,183,937)	7,520,213
Restricted funds	<u>17,606</u>	<u>54,327</u>	<u>(53,527)</u>	<u>18,406</u>
Total funds	<u>7,990,328</u>	<u>785,755</u>	<u>(1,237,464)</u>	<u>7,538,619</u>
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	8,398,436	730,436	(1,156,150)	7,972,722
Restricted funds	<u>19,832</u>	<u>63,169</u>	<u>(65,395)</u>	<u>17,606</u>
Total funds	<u>8,418,268</u>	<u>793,605</u>	<u>(1,221,545)</u>	<u>7,990,328</u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	7,866,791	504,151	(906,683)	7,464,259
Restricted funds	<u>17,606</u>	<u>54,327</u>	<u>(53,527)</u>	<u>18,406</u>
Total funds	<u>7,884,397</u>	<u>558,478</u>	<u>(960,210)</u>	<u>7,482,665</u>
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	8,305,980	478,028	(917,217)	7,866,791
Restricted funds	<u>19,832</u>	<u>63,169</u>	<u>(65,395)</u>	<u>17,606</u>
Total funds	<u>8,325,812</u>	<u>541,197</u>	<u>(982,612)</u>	<u>7,884,397</u>

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

22 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £	Total funds at 31 March 2023 £
Tangible fixed assets	7,070,852	-	7,070,852	7,535,437
Current assets	604,384	18,406	622,790	562,612
Current liabilities	(155,023)	-	(155,023)	(107,721)
Total net assets	<u>7,520,213</u>	<u>18,406</u>	<u>7,538,619</u>	<u>7,990,328</u>

Charity

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £	Total funds at 31 March 2023 £
Tangible fixed assets	7,050,602	-	7,050,602	7,516,994
Fixed asset investments	10	-	10	10
Current assets	487,355	18,406	505,761	399,274
Current liabilities	(73,708)	-	(73,708)	(31,881)
Total net assets	<u>7,464,259</u>	<u>18,406</u>	<u>7,482,665</u>	<u>7,884,397</u>

23 Related party transactions

Group

The board members named in the directors' report as Resident or Independent Trustees live in the Preston Road neighbourhood. As such they are likely to have derived some benefit from the projects and initiatives undertaken by the company. However apart from the matter noted below the Board is of the opinion that such benefits are unlikely to influence the said members in pursuing the separate interests of the Charity. Accordingly in accordance with paragraph 9.18 SORP 2015 no disclosure is considered necessary.

The Freedom Community Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

During the year the charity made the following related party transactions:

Child Dynamix Ltd

(The trustee Janet Boyd is a director of this company.)

In the course of the year the Charity charged rent, service charges and insurance totalling £45,622 (2023: £47,796) and paid £nil (2023: £1,729) to Child Dynamix Ltd. At the balance sheet date the amount due from Child Dynamix Ltd was £7,500 (2023 - £7,500).

Environmental and Management Solutions

(The trustees Janet Boyd and Rebecca Norman are officers of this company.)

In the course of the year the Charity paid Environmental and Management Solutions Ltd £41,679 (2023: £39,257). In the course of the year the Charity charged rent, service charges, insurance & utilities totalling £8,605 (2023: £14,113). At the balance sheet date the amount due from Environmental and Management Solutions was £2,274 (2023 - £4,099).

24 Member's liability

The company was incorporated as a company limited by guarantee and therefore has no share capital and is also registered as a Charity. The liability of the members is limited on the winding up of the company. Each member is only liable whilst being a member.

At the balance sheet date there were 9 members.