

COMPANY REGISTRATION NUMBER: 5302575
CHARITY REGISTRATION NUMBER: 1109158

Our Kids
Company Limited by Guarantee
Consolidated Financial Statements
31 December 2021

HAFFNER HOFF LTD
Accountants & statutory auditor
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Our Kids

Company Limited by Guarantee

Consolidated Financial Statements

Year ended 31 December 2021

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the Consolidated Financial Statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name	Our Kids
Charity registration number	1109158
Company registration number	5302575
Principal office and registered office	2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

The trustees

Mrs M Steinberg
Mrs H Corn
S A Marks

Auditor

Haffner Hoff Ltd
Accountants & statutory auditor
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Bankers

Nat West Bank Plc
64 Bury Old Road
Manchester
M8 5NW

Santander UK Plc
POD 38 The Green House
Media City UK
Manchester
M50 2EQ

Our Kids

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

Structure, governance and management

Our Kids is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 02 December 2004 as a company and the company number is 5302575. It was registered as a charity on 20 April 2005 with a charity number 1109158.

The day to day affairs are undertaken by Mr P Corn on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the trading subsidiaries and are operational in terms of losing market share and being unable to pay liabilities as they fall due.

The subsidiaries monitor cash flow and reputation regularly to ensure they maintain their market position so that cash flow is not an issue.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

Objectives and activities

The objects of the charity are: (i) the relief of poverty and hardship and (ii) the advancement of education for young people, with particular reference to the social and cultural aspects of education.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity utilises funds received from the subsidiaries to pay out grants that are appropriate for the charities objects. The charity is also engaged in actively helping young people to become employable - see below.

The application of the funds by way of grants is to either institutions or individuals and is mostly to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object as well as how many successful placements are achieved each year. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year. Additionally, the trading subsidiary furthers the objects of the charity by employing staff as mentioned above.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

Achievements and performance

The charity received £166,581 in donations during the year.

The figures for the wholly owned trading subsidiary, Easygift Trading Limited, have been consolidated within the accounts of the charity. The notes to the accounts disclose the split of balances between the charity and the subsidiary as well as a summary of the results for the year.

Easygift Trading Limited is a UK based company that successfully provides 6 - 12 month placements offering work experience, training and employment to young adults between the ages of 16 and 24 who are unemployed. These activities are to enable the employees to become employable in other forms of employment. The success of these placements has ensured that scores of young people have gone on to be employed by other companies, something that would not have been possible prior to the placement.

These activities were made in line with the stated objects of the charity. Easygift Trading Limited pays any surpluses generated up to the parent charity.

The figures for the wholly owned trading subsidiary, Arrow Mill Management Limited, have been consolidated within the accounts of the charity. The notes to the accounts disclose the split of balances between the charity and the subsidiary as well as a summary of the results for the year.

Arrow Mill Management Limited is a UK based company that manages the premises occupied by Easygift Trading Limited as well as the subletting of the rest of the premises to third parties. Arrow Mill Management Limited pays any surpluses generated up to the parent charity.

Costs of other trading activities amounting to £14,688,422 represents the expenses of both subsidiaries as consolidated within the accounts of the parent charity.

The charity paid out other grants and support costs totalling £82,848. All grants over £2,000 made during the year to institutions are as detailed in the accounts and were made in line with the stated objects of the charity and were for educational and communal purposes.

The charity has governance costs that comprise professional fees.

There were no material fundraising costs incurred during the year.

During the year the trustees considered the fair value of the land and buildings of the charity, the trustees confirm there has been no change in the fair value of from last year.

There was an overall net income and movement of funds for the year amounting to £1,580.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

Financial review

Investment performance

The trustees report that the wholly owned trading subsidiaries reported maintained healthy sales during the year. The trustees consider this outstanding as the venture was only set up to train young people with social, emotional, behavioural and educational difficulties

The actual figures can be found in the notes to the accounts.

The trustees feel that the year was acceptable in terms of income generated from the trading subsidiary. The trustees are delighted to have also made many valuable contributions to the community from the charity itself and hope to be able to do so for many years to come.

Reserves policy

The Unrestricted Fund represents the unrestricted fund arising from past operating results.

The Trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against grants payable. The trustees intend to retain a level of reserves that reflects the risk of the charity and the subsidiary.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being enough to cover the loans due to the charity less any current liabilities and excluding any investments or other fixed assets.

The free reserves stand at £3,939,287 all of which are unrestricted.

Macro-Economic Factors

Covid

The after effects of Covid are still being felt with challenging supply chain disruptions. Mitigation, we have changed shipping suppliers going into 2022 to one of the largest industry suppliers globally.

Brexit

At the end of 2019 the subsidiary turned off all export channels due to the uncertainty around shipping parcels abroad. They remained shut throughout 2020 and 2021. Subsequently due to changes in legislation and overcoming logistical challenges the company has successfully reopened its international trade and is seeing good results.

Stock Management

During 2021 the company were either under or overstocked within specific lines due to the supply chain disruptions Mitigation, we have carefully managed our buying patterns, as well as running a number of promotions in conjunction with adding new sales platforms to increase our customer base.

Risk: Inflation

Mitigation, the company constantly monitors the costs of goods and takes into careful consideration the effects of sales price increases vs profitability. We have bespoke software which enables the sales team to follow the sales trends of specific products allowing the company to maintain this balance.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

Plans for future periods

The trustees plan to continue raising funds for projects in line with the Memorandum & Articles of Association and pursue those objectives and projects with all the resources available to the charity.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 30 September 2022 and signed on behalf of the board of trustees by:

Mrs M Steinberg
Trustee

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Trustees' Responsibilities Statement

Year ended 31 December 2021

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the Consolidated Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare Consolidated Financial Statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these Consolidated Financial Statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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 Consolidated Financial Statements;
- prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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Independent Auditor's Report to the Members of Our Kids

Year ended 31 December 2021

Opinion

We have audited the Consolidated Financial Statements of Our Kids (the 'charity') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities (including income and expenditure account), consolidated balance sheet, statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Consolidated Financial Statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 consolidated financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the Consolidated 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 Consolidated Financial Statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the Consolidated Financial Statements is appropriate.

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

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

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Company Limited by Guarantee

Independent Auditor's Report to the Members of Our Kids *(continued)*

Year ended 31 December 2021

Other information

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 Consolidated 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 for the financial year for which the Consolidated Financial Statements are prepared is consistent with the Consolidated 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Consolidated 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.

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Independent Auditor's Report to the Members of Our Kids *(continued)*

Year ended 31 December 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the Consolidated 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 Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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.

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Independent Auditor's Report to the Members of Our Kids *(continued)*

Year ended 31 December 2021

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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

the nature of the industry and sector, control environment and business performance;

results of our enquiries of management about their own identification and assessment of the risks of irregularities;

any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to (a) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; (b) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; (c) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; (d) the matters identified as to how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAS (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, UK tax legislation and UK Charity Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

As a result of performing the above, we identified no key audit matters relating to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

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Independent Auditor's Report to the Members of Our Kids *(continued)*

Year ended 31 December 2021

reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

enquiring of management concerning actual and potential litigation and claims;

performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions; and

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 Auditors.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

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Independent Auditor's Report to the Members of Our Kids *(continued)*

Year ended 31 December 2021

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Howard Schwalbe ACA (Senior Statutory Auditor)

For and on behalf of
Haffner Hoff Ltd
Accountants & statutory auditor

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

30 September 2022

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Consolidated Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 31 December 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	166,581	166,581
Other trading activities	6	14,603,394	14,603,394
Investment income	7	—	—
Total income		<u>14,769,975</u>	<u>15,081,539</u>
Expenditure			
Expenditure on raising funds:			
Costs of other trading activities	8	14,688,422	14,688,422
Expenditure on charitable activities	9,10	82,848	82,848
Total expenditure		<u>14,771,270</u>	<u>14,263,372</u>
Net gains on investments	13	2,875	2,875
Net income and net movement in funds		<u>1,580</u>	<u>818,167</u>
Reconciliation of funds			
Total funds brought forward		3,937,707	3,937,707
Total funds carried forward		<u>3,939,287</u>	<u>3,937,707</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 30 form part of these Consolidated Financial Statements.

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Company Limited by Guarantee

Balance Sheet

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	18	2,805,358	2,811,982
Investments		852,875	400,000
Current assets			
Stocks	21	-	-
Debtors	22	457,978	6,070
Cash at bank and in hand		33,809	465,460
		<u>491,787</u>	<u>471,530</u>
Creditors: amounts falling due within one year	23	<u>165,301</u>	<u>154,793</u>
Net current assets/(liabilities)		<u>326,486</u>	<u>316,737</u>
Total assets less current liabilities		<u>3,984,719</u>	<u>3,528,719</u>
Creditors: amounts falling due after more than one year	24	<u>1,307,097</u>	<u>1,304,964</u>
Net assets		<u>2,677,622</u>	<u>2,223,755</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		1,110,634	1,110,634
Other unrestricted income funds		1,566,988	1,113,121
Total unrestricted funds		<u>2,677,622</u>	<u>2,223,755</u>
Total charity funds	26	<u>2,677,622</u>	<u>2,223,755</u>

These Financial Statements were approved by the board of trustees and authorised for issue on 29 September 2022, and are signed on behalf of the board by:

Mrs M Steinberg
Trustee

The notes on pages 17 to 30 form part of these Consolidated Financial Statements.

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Company Limited by Guarantee

Consolidated Balance Sheet

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	18	3,103,960	3,118,076
Investments		<u>2,875</u>	<u>—</u>
		3,106,835	3,118,076
Current assets			
Stocks	21	5,448,922	3,264,118
Debtors	22	1,144,124	1,022,681
Cash at bank and in hand		<u>1,120,930</u>	<u>1,990,229</u>
		7,713,976	6,277,028
Creditors: amounts falling due within one year	23	<u>4,262,422</u>	<u>3,623,417</u>
Net current assets		3,451,554	2,653,611
Total assets less current liabilities		6,558,389	5,771,687
Creditors: amounts falling due after more than one year	24	<u>2,619,102</u>	<u>1,833,980</u>
Net assets		<u>3,939,287</u>	<u>3,937,707</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		1,110,634	1,110,634
Other unrestricted income funds		<u>2,828,653</u>	<u>2,827,073</u>
Total unrestricted funds		3,939,287	3,937,707
Total charity funds	26	<u>3,939,287</u>	<u>3,937,707</u>

These Consolidated Financial Statements were approved by the board of trustees and authorised for issue on 30 September 2022, and are signed on behalf of the board by:

Mrs M Steinberg
Trustee

The notes on pages 17 to 30 form part of these Consolidated Financial Statements.

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Consolidated Statement of Cash Flows

Year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	1,580	818,167
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	88,023	101,114
Net gains on investments	(2,875)	—
Other interest receivable and similar income	—	(9)
Accrued (income)/expenses	(27,693)	62,973
<i>Changes in:</i>		
Stocks	(2,184,804)	(976,215)
Trade and other debtors	(121,443)	(444,974)
Trade and other creditors	712,396	1,573,879
Cash generated from operations	(1,534,816)	1,134,935
Interest received	—	9
Net cash (used in)/from operating activities	(1,534,816)	1,134,944
Cash flows from investing activities		
Purchase of tangible assets	(73,907)	(122,467)
Purchases of other investments	(2,875)	—
Proceeds from sale of other investments	2,875	—
Net cash used in investing activities	(73,907)	(122,467)
Cash flows from financing activities		
Proceeds from borrowings	739,424	425,832
Payments of finance lease liabilities	—	(27,498)
Net cash from financing activities	739,424	398,334
Net (decrease)/increase in cash and cash equivalents	(869,299)	1,410,811
Cash and cash equivalents at beginning of year	1,990,229	579,418
Cash and cash equivalents at end of year	1,120,930	1,990,229

The notes on pages 17 to 30 form part of these Consolidated Financial Statements.

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Company Limited by Guarantee

Notes to the Consolidated Financial Statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2nd Floor - Parkgates, Bury New Road, Prestwich, Manchester, M25 0TL.

2. Statement of compliance

These Consolidated Financial Statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Consolidation

These financial statements consolidate the results of the charity and its 100% subsidiary Easygift Trading Limited, a UK company with a registered company number being 7061441. The registered office is Arrow Mill, Queensway, Rochdale, Lancashire, England, OL11 2YW. This is in accordance with SORP FRS 102 paragraph 9.13. The year end of Easygift Trading Limited is 31 December 2021.

These financial statements also consolidate the results of the charity and its other 100% subsidiary Arrow Mill Management Limited, a UK company with a registered company number being 9773133. The registered office is Arrow Mill, Queensway, Rochdale, Lancashire, England, OL11 2YW. This is in accordance with SORP FRS 102 paragraph 9.13. The year end of Arrow Mill Management Limited is 31 December 2021.

The charity has not produced an individual SOFA and has availed itself of the exemption conferred by s408 Companies Act 2006. The trustees consider the extra notes attached to the SOFA notes to be sufficient disclosure of the individual charity's SOFA.

Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The Consolidated Financial Statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue and the trustees refer to the information contained in the trustees report under financial review.

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Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the charity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported besides the value of the land and buildings.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	Property improvements are depreciated at 5% in the subsidiaries.
Plant & machinery	-	15% reducing balance
Fixtures & fittings	-	15% straight line
Motor Vehicles	-	25% reducing balance

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment of fixed assets

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

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

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

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

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

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

4. Limited by guarantee

Our Kids is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	166,581	166,581	56,896	56,896
Grants				
Job retention scheme grants	—	—	11,000	11,000
	<u>166,581</u>	<u>166,581</u>	<u>67,896</u>	<u>67,896</u>

Donations receivable are wholly attributable to the charity.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Arrow Mill Management Ltd	876,992	876,992	756,497	756,497
Easygift Trading Ltd	13,726,402	13,726,402	14,257,137	14,257,137
	<u>14,603,394</u>	<u>14,603,394</u>	<u>15,013,634</u>	<u>15,013,634</u>

Other trading activities is wholly attributable to the subsidiaries of the charity.

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	—	—	9	9
	<u>—</u>	<u>—</u>	<u>9</u>	<u>9</u>

Investment income related only to the subsidiaries.

8. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Easygift Trading Ltd	13,847,643	13,847,643	13,448,677	13,448,677
Arrow Mill Management Ltd	840,779	840,779	739,570	739,570
	<u>14,688,422</u>	<u>14,688,422</u>	<u>14,188,247</u>	<u>14,188,247</u>

Other trading activities is wholly attributable to the subsidiaries of the charity.

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable grants	56,928	56,928	53,365	53,365
Support costs	25,920	25,920	21,760	21,760
	<u>82,848</u>	<u>82,848</u>	<u>75,125</u>	<u>75,125</u>

Donations receivable are wholly attributable to the charity.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	7,604	49,324	—	56,928	54,626
Governance costs	—	—	25,920	25,920	20,499
	<u>7,604</u>	<u>49,324</u>	<u>25,920</u>	<u>82,848</u>	<u>75,125</u>

Charitable activities are wholly attributable to the charity.

11. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	—	—	1,261
Governance costs	25,920	25,920	20,500
	<u>25,920</u>	<u>25,920</u>	<u>21,761</u>

12. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Asser Bishvil Foundation	1,000	5,500
Grants under £2,000	14,579	10,892
Jewish High	500	2,000
Toimchei Shabbos	2,700	—
Beis Tefilla	4,570	—
Kolyom Trust Limited	—	12,200
FFH Educational Trust	5,000	—
Freida Cope Community Centre Trust	2,000	—
TLC Club	5,875	—
Broom	—	4,000
Maalas Hatorah	3,000	3,000
Chernobyl	100	2,000
	<u>39,324</u>	<u>39,592</u>
Grants to individuals		
Relief of Poverty	10,000	5,000
Total grants	<u>49,324</u>	<u>44,592</u>

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

13. Net gains on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment property	<u>2,875</u>	<u>2,875</u>	<u>—</u>	<u>—</u>

14. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	88,023	101,114
Foreign exchange differences	<u>(29,662)</u>	<u>(26,861)</u>

15. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the consolidated financial statements	<u>8,580</u>	<u>8,000</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>2,640</u>	<u>2,000</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	1,288,120	1,351,750
Social security costs	60,171	58,231
Employer contributions to pension plans	14,792	13,333
	<u>1,363,083</u>	<u>1,423,314</u>

The average head count of employees during the year was 57 (2020: 59). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of distribution staff - Easygift Trading Ltd	46	48
Number of administrative staff - Arrow Mill Management Ltd	<u>11</u>	<u>11</u>
	<u>57</u>	<u>59</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

17. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received or expenses reimbursed by the trustees.

18. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	2,873,099	239,541	503,743	35,998	3,652,381
Additions	48,662	19,587	5,658	—	73,907
At 31 December 2021	2,921,761	259,128	509,401	35,998	3,726,288
Depreciation					
At 1 January 2021	65,500	171,924	270,475	26,406	534,305
Charge for the year	17,040	67,392	1,083	2,508	88,023
At 31 December 2021	82,540	239,316	271,558	28,914	622,328
Carrying amount					
At 31 December 2021	2,839,221	19,812	237,843	7,084	3,103,960
At 31 December 2020	2,807,599	67,617	233,268	9,592	3,118,076

The freehold property was externally revalued on 9th August 2017. The valuation was carried out by JLL on behalf of Santander Plc and represents the fair value of the freehold property.

Fixed assets include £374,181 attributable to the subsidiaries of the charity. The remaining amount is attributable to the charity.

Fixed asset investments extra disclosure in line with SI 2008/629-19 (1)a, Sch 2 (1) 1 (j) for the two subsidiaries for the period ended 31 December 2021 is as detailed below:-

	Easygift Trading Ltd	Arrow Mill Management Ltd
Turnover	£13,726,402	£858,659
Expenditure	£14,072,390	£847,305
Profit/(loss)	£(345,988)	£11,354

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

19. Investments

	Investment properties £
Cost or valuation	
At 1 January 2021	—
Additions	2,875
At 31 December 2021	<u>2,875</u>
Impairment	
At 1 January 2021 and 31 December 2021	
Carrying amount	2,875
At 31 December 2021	<u>2,875</u>
At 31 December 2020	<u>—</u>

All investments shown above are held at valuation.

Investment properties

The freehold property was externally revalued on 9th August 2017. The valuation was carried out by JLL on behalf of Santander Plc and represents the fair value of the freehold property.

All investments are attributable to the charity.

20. Cash at bank and in hand

Cash at bank and in hand includes £1,087,122 attributable to the subsidiaries of the charity. The remaining amount is attributable to the charity.

21. Stocks

	2021 £	2020 £
Raw materials and consumables	<u>5,448,922</u>	<u>3,264,118</u>

All stocks are attributable to the subsidiaries of the charity.

22. Debtors

	2021 £	2020 £
Trade debtors	621,662	914,395
Prepayments and accrued income	177,905	102,218
Other debtors	344,557	6,068
	<u>1,144,124</u>	<u>1,022,681</u>

Debtors include £801,684 attributable to the subsidiaries of the charity. The remaining amount is attributable to the charity.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

23. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	1,745,458	900,648
Trade creditors	1,837,157	1,858,208
Accruals and deferred income	123,053	150,746
Social security and other taxes	465,940	531,563
Other creditors	90,814	182,252
	<u>4,262,422</u>	<u>3,623,417</u>

Creditors falling due within one year include £4,097,121 attributable to the subsidiaries of the charity. The remaining amount is attributable to the charity.

Bank loans and overdrafts are secured against the property of the charity and subsidiary as well as a cross guarantee from the subsidiaries.

24. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	799,578	904,964
Other creditors	1,819,524	929,016
	<u>2,619,102</u>	<u>1,833,980</u>

Creditors falling due after more than one year include £1,312,006 attributable to the subsidiaries of the charity. The remaining amount is attributable to the charity.

Bank loans and overdrafts are secured against the property of the charity as well as a cross guarantee from the subsidiaries.

25. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £14,792 (2020: £13,333).

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

26. Analysis of charitable funds

Unrestricted funds

	At 01 Jan 2021 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2021 £
General funds	2,827,073	14,769,975	(14,771,270)	2,875	2,828,653
Revaluation reserve	1,110,634	—	—	—	1,110,634
	<u>3,937,707</u>	<u>14,769,975</u>	<u>(14,771,270)</u>	<u>2,875</u>	<u>3,939,287</u>

	At 01 Jan 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2020 £
General funds	2,008,906	15,081,539	(14,263,372)	—	2,827,073
Revaluation reserve	1,110,634	—	—	—	1,110,634
	<u>3,119,540</u>	<u>15,081,539</u>	<u>(14,263,372)</u>	<u>—</u>	<u>3,937,707</u>

27. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	3,106,835	3,106,835
Current assets	7,713,976	7,713,976
Creditors less than 1 year	(4,277,422)	(4,277,422)
Creditors greater than 1 year	(2,604,102)	(2,604,102)
Net assets	<u>3,939,287</u>	<u>3,939,287</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	3,118,076	3,118,076
Current assets	6,277,028	6,277,028
Creditors less than 1 year	(3,623,417)	(3,623,417)
Creditors greater than 1 year	(1,833,980)	(1,833,980)
Net assets	<u>3,937,707</u>	<u>3,937,707</u>

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2021

28. Analysis of changes in net debt

	At 1 Jan 2021 £	Cash flows £	At 31 Dec 2021 £
Cash at bank and in hand	1,990,229	(869,299)	1,120,930
Debt due within one year	(900,648)	(844,810)	(1,745,458)
Debt due after one year	(904,964)	105,386	(799,578)
	<u>184,617</u>	<u>(1,608,723)</u>	<u>(1,424,106)</u>

29. Related parties

Mr S Rose, director of Easygift Trading Ltd, is also director and shareholder of Simon Rose Ltd. Included within creditors is £15,000 owing to Simon Rose Ltd for services rendered.

Mr S Rose is also a director and shareholder of Easygift Logistics Ltd (EGL). During the year Easygift Trading Ltd (EGT) paid commissions of £488,771 to EGL. Also included in long term creditors was amounts owing from EGT to EGL of £1,117,396.

30. Taxation

Our Kids is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.