

COMPANY REGISTRATION NUMBER: 53022575

CHARITY REGISTRATION NUMBER: 1109158

**Our Kids
Company Limited by Guarantee
Consolidated Financial Statements
31 December 2022**

G A HARRIS & CO LIMITED
Chartered accountants & statutory auditor
Brulimar House
Jubilee Road
Middleton
Manchester
England
M24 2LX

Our Kids
Company Limited by Guarantee
Consolidated Financial Statements
Year ended 31 December 2022

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Our Kids
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 December 2022

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 2022.

Reference and administrative details

Registered charity name	Our Kids
Charity registration number	1109158
Company registration number	53022575
Principal office and registered office	2nd Floor Parkgates Bury New Road Prestwich Manchester M25 0TL

The trustees

Mrs H Corn
Mrs H Steinberg

Auditor

G A Harris & Co Limited
Chartered accountants & statutory auditor
Brulimar House
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Middleton
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Bankers

National Westminster Bank Plc
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Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

Structure, governance and management

Our Kids is constituted by Memorandum & Articles of Association and is a company limited by guarantee. It was incorporated on the 2nd December 2004, company number 5302575. It was registered as a charity on 20th April 2005, charity number 1109158.

The day to day running of the charity is undertaken by Mr P Corn, husband of one of the trustees, Mrs H Corn. All major decisions are made collectively by the trustees and all trustees give their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. Any arrangements for setting the pay of the charity's employees are the sole doing of the trustees.

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

Risk review

The trustees have assessed the major risk to which the charity is exposed and are satisfied that systems are in place to manage any such exposure.

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

By reporting back to the other trustees and by reviewing such procedures regularly, it is hoped that safeguards in place are strengthen to ensure public benefit is achieved from all grants made.

Other risks are associated with the trading subsidiaries of the parent charity. Such operational risks include possible loss of market share and becoming unable to pay liabilities as they fall due.

The directors and management of the subsidiaries monitor cash flow effectively and report regularly to ensure they maintain and hopefully strengthen their market position so cash flow is not an issue.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

Objectives and activities

The objectives of the charity are:

- 1) the relief of poverty and hardship and
- 2) the advancement of education and training for young people within the local community with particular reference to social and cultural aspects of education.

The main activities of the charity are:

- 1) the ownership of Arrow Mill, Rochdale
- 2) Ownership of shares in subsidiary companies
- 3) Provision of counselling services to young people to ensure they are ready for work
- 4) Provision of training and work placements within the subsidiary trading company to ensure the young people have the skills to become employees of the subsidiary company or transferrable to other jobs.
- 5) Provision of grants to individuals who meet the charity's criteria to enhance their social and cultural skills.
- 6) Provision of donations to other charities who have the same objectives as Our Kids.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

Objectives and activities *(continued)*

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 policies 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 objectives. The charity is also engaged in actively helping young people to become employable.

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

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 each year as well as how many successful work placements are achieved by individuals who have received grant monies and/or training and education from the charity. The grants paid out in the year are detailed in the notes to these accounts and the trustees consider that they have met their aims successfully this year. Several individuals who were offered training and education during the year have gone on to become employees of the subsidiaries after work placements funded by the charity.

The trustees consider the short 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, financial review and plans for future periods form the strategic report of the charity.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

Achievements and performance

The charity received £31,910 (2021 £166,581) of donations in the year from third parties.

The parent charity also received gift aid payments from its 2 trading subsidiaries. Any pretax surpluses generated in the individual subsidiary's year of trading are transferred as gift aid payments, within 9 months of the balance sheet date, to the parent charity. For the year ended 31st December 2022, Easygift Trading Ltd made such payments totalling £518,549 (2021 £854,935) and Arrow Mill Management Ltd £49,936 (2021 £46,388). This income is not shown on the face of the consolidated SOFA, as per page 13.

Easygift Trading Ltd

The figures for the wholly owned 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 Easygift Trading as well as a summary of the results for the year.

Easygift Trading Ltd is a UK based company, selling furniture, other household products and gifts online. During the year, Easygift Trading Ltd successfully provided 6-12 month work experience, training and employment to young adults, aged between 16 - 24 who were unemployed. These activities enabled many young people to become employable, some within the sublunary and some by other companies. These activities were made in line with the stated objectives of the charity.

Arrow Mill Management Ltd

The trading results of the 2nd trading subsidiary, Arrow Mill Management Ltd, have also been consolidated within the accounts of the charity. The notes to the accounts disclose the split of balances between the charity and Arrow Mill Management Ltd, as well as a summary of the results for the year.

Arrow Mill Management Ltd is a UK based company that manages Arrow Mill, the property owned by the charity. Easygift Trading Ltd occupy approximately 35% of the mill, the remainder being sublet to third parties.

Our Kids Charity

The charity paid out grants to other charitable institutions and individuals totalling £52,520 (2021 £49,324) in the year. A summary of the grants made during the year and are detailed in the accounts and were made in line of the stated objectives of the charity for educational and communal purposes.

Other costs for the charity during the year totalled £370,779 (2021 £799,562). The summary below shows some of the significant costs:

Rates £113,635 (2021 £544,437)

Heat & light £72,190 (2021 £69,050)

Repairs and maintenance £51,447 (2021 £89,805)

Professional fees £11,150 (2021 £488)

Mortgage interest £42,607 (2021 £27,215)

Hire purchase interest £8,873 (2021 £nil)

The hire purchase interest relates to solar panels which were installed on the roof of Arrow Mill during the year, costing £150,000. Future heat and light costs are expected to be significantly lower due to the installation of the panels.

The 2021 charge for rates includes the outcome of a court case between the charity and Rochdale Council re unpaid business rates at Arrow Mill. This was found in favour of the council and the charity

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Company Limited by Guarantee

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

Year ended 31 December 2022

was liable to over £500,000 of backdated charges, all of which was provided in the consolidated financial statements, year ended 31st December 2021. This is being repaid at £8,000 a month by the parent charity.

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 and believe no revaluation is considered necessary at the balance sheet date.

The consolidated net income for the year has increased considerably from £1,581 in 2021 to £264,858. This is mainly due to the improved results of Easygift Trading Limited.

Our Kids
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) (continued)
Year ended 31 December 2022

Financial review

Investment performance

The trustees report that the 2 wholly owned subsidiaries have continued to have healthy sales and profits during the year. Their success has enabled the charity to continue to support young people who have social, emotional and educational difficulties prior to joining the education and training programme. The trustees believe that the 2 subsidiaries will continue to grow in the future ensuring charitable activities can continue for many years to come.

The charity has continued to invest in the trading subsidiary, Easygift Trading Limited. The charity purchased a further £250,000 of shares in the year. The charity's total share value in Easygift Trading Ltd is now £1,100,001.

Reserves policy

There are no restricted funds in the charity. All funds held are unrestricted and have arisen from past operating results from the charity and its subsidiaries.

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 its subsidiaries.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being enough to cover all liabilities as they fall due.

The general fund reserves at the balance sheet date are £3,122,680 (2021 £2,857,822). The revaluation reserve balance (relating to the Mill) is £1,110,634 (2021 £1,110,634).

Macro-Economic Factors

Covid

Post Covid, Easygift Trading Ltd, used new shipping suppliers, haulage providers and couriers, which were cheaper and more reliable than those used previously. These cost savings are reflected in the improved financial performance of the subsidiary.

The results have Arrow Mill Management Ltd have also improved post COVID as the mill is now fully let for most of the financial year.

Brexit

Easygift Trading has again overcome the logistical and legislative challenges it encountered in previous years due to Brexit. International trade continues to grow.

Stock Management

Previous supply chain problems have not been an issue in this financial year. A new dedicated account manager at the online platforms and sales promotions have ensured that stock lines offered have been popular with consumers and profitable.

Risk: Inflation

The trading subsidiary, Easygift Trading Ltd, constantly monitors the cost of goods, listing fees, shipping and transport costs. It takes into careful consideration the effects of price increases v profitability and how much of the price increases of cost of goods can be passed on to customers. They use bespoke software which enable the sales team to follow the sales trend of specific product lines allowing the company to maintain this balance.

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

Year ended 31 December 2022

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.

Trustees' responsibilities statement

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.

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.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

The trustees' annual report and the strategic report were approved on 30 November 2023 and signed on behalf of the board of trustees by:



Mrs H Corn
Trustee

Our Kids
Company Limited by Guarantee
Independent Auditor's Report to the Members of Our Kids
Year ended 31 December 2022

Opinion

We have audited the financial statements of Our Kids (the 'parent') and its subsidiaries (the 'group') for the year ended 31st December 2022. These statements comprise the Consolidated Statement of Financial Activities (including Income and expenditure account), the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Statement of Financial Position for the parent and notes to the financial statements named above, including a summary of significant accounting policies.

In our opinion, the financial statements above:

-give a true and fair view of the state of the group's and of the charitable company's affairs as at 31st December 2022 and of the group's incoming resources and application of resources (profit/loss) 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.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

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

- the information given in the trustees' report, which includes the directors' report and the strategic report, (prepared for the purposes of Company Law), for the year ended 31st December 2022, is consistent with the financial statements, and;

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

Matters on which we are required to report by exception

In the light of 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.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

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.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

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:

I looked at the charity's and subsidiaries policies and procedures relating to fraud and compliance with laws and regulations. I also inquired with the trustees and directors about their own identification and assessment of the risk of irregularities. Based on this understanding, I identified and assessed the risks of material misstatement in the consolidated financial statements and designed and performed audit procedures in response to those risks.

Key laws and regulations which have a direct effect on the determination of material amounts and disclosures in the consolidated financial statements, the most significant being Companies Act 2006 and the Charities SORP (FRS 102). I also gained knowledge of the legal and regulatory frameworks which do not have a direct effect on the consolidated financial statements but non-compliance with may have a fundamental effect on the companies/charity's ability to operate.

I also looked at the comparative figures contained in the consolidated financial statements and the individual subsidiary companies and parent charity to understand how the accounts were prepared by the previous auditors.

Audit response to risks identified

We gained access to all available working papers from the previous auditors. I identified differences between the closing reserves per the 2021 accounts and those of the subsidiary trading companies and the parent charity, after allowing for consolidation adjustments. The previous auditors could not explain how and when these differences had occurred so I, the audit team and the trustees of the charity deemed it necessary to restate the 2021 figures. See note 26 in the accounts.

Procedures were designed within the audit programmes of the subsidiaries and charity audit files to identify any risks or non compliance by way of discussions with management, review of after date trading activities or donations made and a review of trustees and directors' meetings where any such instances of fraud and irregularity may have been identified.

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Company Limited by Guarantee

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

Year ended 31 December 2022

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.
- 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.

Our Kids

Company Limited by Guarantee

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

Year ended 31 December 2022

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.



Gary Harris (Senior Statutory Auditor)

For and on behalf of
G A Harris & Co Limited
Chartered accountants & statutory auditor
Brulimar House
Jubilee Road
Middleton
Manchester
England
M24 2LX

30 November 2023

Our Kids
Company Limited by Guarantee
Consolidated Statement of Financial Activities (Including Income and Expenditure Account)
Year ended 31 December 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	31,910	31,910	166,581
Other trading activities	6	14,060,718	14,060,718	14,603,394
Total Income		<u>14,092,628</u>	<u>14,092,628</u>	<u>14,769,975</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	7	13,428,064	13,428,064	13,945,787
Expenditure on charitable activities	8,9	399,706	399,706	825,482
Total expenditure		<u>13,827,770</u>	<u>13,827,770</u>	<u>14,771,269</u>
Net gains on investments	11	—	—	2,875
Net Income and net movement in funds		<u>264,858</u>	<u>264,858</u>	<u>1,581</u>
Reconciliation of funds				
Total funds brought forward as previously reported		3,968,456	3,968,456	4,011,704
Prior year adjustment		—	—	(44,829)
Total funds brought forward as restated		3,968,456	3,968,456	3,966,875
Total funds carried forward		<u>4,233,314</u>	<u>4,233,314</u>	<u>3,968,456</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 19 to 32 form part of these Consolidated Financial Statements.

Our Kids
Company Limited by Guarantee
Consolidated Statement of Financial Position
31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	16	3,300,804	3,179,539
Investments	17	2,875	2,875
		<u>3,303,679</u>	<u>3,182,414</u>
Current assets			
Stocks	18	4,650,761	5,448,922
Debtors	19	1,178,852	1,097,714
Cash at bank and in hand		663,762	1,120,930
		<u>6,493,375</u>	<u>7,667,566</u>
Creditors: amounts falling due within one year	20	<u>3,035,409</u>	<u>4,262,422</u>
Net current assets		<u>3,457,966</u>	<u>3,405,144</u>
Total assets less current liabilities		<u>6,761,645</u>	<u>6,587,558</u>
Creditors: amounts falling due after more than one year	21	<u>2,528,331</u>	<u>2,619,102</u>
Net assets		<u>4,233,314</u>	<u>3,968,456</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		1,110,634	1,110,634
Other unrestricted income funds		3,122,680	2,857,822
Total unrestricted funds		<u>4,233,314</u>	<u>3,968,456</u>
Total charity funds	24	<u>4,233,314</u>	<u>3,968,456</u>

These Consolidated Financial Statements were approved by the board of trustees and authorised for issue on 30 November 2023, and are signed on behalf of the board by:



Mrs H Corn
Trustee

OUR KIDS CHARITY

Statement of financial position 31 December 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible assets		2,948,893		2,805,357	
29.					
Investments	30.	1,102,877		852,877	
			4,051,770		3,658,234
Current assets					
Debtors	31.	560,226		457,978	
Cash at bank and in hand		24,203		33,808	
		584,429		491,786	
Creditors: amounts falling due within one year	32.	(179,124)		(165,301)	
Net current assets			405,305		326,485
Total assets less current liabilities			4,457,075		3,984,719
Creditors: amounts falling due after more than one year	33.		(1,319,404)		(1,307,097)
Net assets			3,137,671		2,677,622
Capital and reserves					
Revaluation reserve			1,110,634		1,110,634
Profit and loss account			2,027,037		1,566,988
Shareholders funds			3,137,671		2,677,622

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 30 November 2023, and are signed on behalf of the board by:



Director

Company registration number:

The notes on pages 33 to 35 form part of these financial statements.

Our Kids
Consolidated Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	264,858	1,581
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	91,212	12,444
Impairment of tangible fixed assets	—	29,167
Net gains on investments	—	(2,875)
Interest payable and similar charges	121,157	41,763
Accrued expenses/(income)	124,208	(27,693)
<i>Changes in:</i>		
Stocks	798,161	(2,184,804)
Trade and other debtors	(81,138)	(75,033)
Trade and other creditors	(979,182)	712,397
Cash generated from operations	339,276	(1,493,053)
Interest paid	(121,157)	(41,763)
Net cash from/(used in) operating activities	<u>218,119</u>	<u>(1,534,816)</u>
Cash flows from Investing activities		
Purchase of tangible assets	(212,478)	(73,906)
Purchases of other investments	—	(2,875)
Proceeds from sale of other investments	—	2,875
Net cash used in investing activities	<u>(212,478)</u>	<u>(73,906)</u>
Cash flows from financing activities		
Proceeds from borrowings	(589,893)	739,424
Payments of finance lease liabilities	127,083	—
Net cash (used in)/from financing activities	<u>(462,810)</u>	<u>739,424</u>
Net decrease in cash and cash equivalents	(457,169)	(869,298)
Cash and cash equivalents at beginning of year	<u>1,120,930</u>	<u>1,990,228</u>
Cash and cash equivalents at end of year	<u>663,761</u>	<u>1,120,930</u>

The notes on pages 19 to 32 form part of these Consolidated Financial Statements.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements

Year ended 31 December 2022

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, Our Kids and its 2 100% owned subsidiaries, Easygift Trading Ltd and Arrow Mill Management Ltd.

Easygift Trading Ltd is a company registered in England & Wales, registered company number 7061441. The registered office is Arrow Mill, Queensway, Rochdale, Lancashire, England OL11 2YW. The year end of Easygift Trading Ltd is 31st December 2022.

Arrow Mill Management Ltd, is also registered in England & Wales, registered number 9773133. The registered office of the company is as above. The year end of Arrow Mill Management Ltd is 31st December 2022.

The charity has not produced an individual SOFA as per exemption s408 Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments which are included at market value.

The accounts are prepared in sterling which is the functional currency of the entity.

The accounts present consolidated information about the charity (Our Kids) and its two subsidiary undertakings (Easygift Trading Ltd and Arrow Mill Management Ltd).

Going concern

The trustees have given due consideration for the future of the charity and its ability to meet its objectives. They have concluded that there are no material uncertainties about the charity's ability to continue. They believe the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management and the trustees to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Significant judgements

The judgements made by management and trustees that have a significant effect on the amounts recognised in the financial statements are described below.

Sources of estimation uncertainty

Land and buildings are stated at the fair value based on the trustees valuation. No recent independent professional valuation has been done. The last professional valuation of Arrow Mill was 2017. The rise in interest rates and inflation has caused significant disruption and uncertainty in the UK property market which has inevitably increased the degree of judgement involved in the property valuation at 31st December 2022.

Closing stock of the trading subsidiary was valued at £4.6m at 31st December 2022. This was after a provision of £185k for slow moving and obsolete stock which represents less than 4% of total stock. The directors and management of the trading subsidiary believe this to be reasonable but the actual provision is uncertain, largely due to seasonal and fashionable sales trends.

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.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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.

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.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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.

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	-	In the subsidiaries only
Improvements		
Plant & machinery	-	15% reducing balance
	-	15% straight line
Motor vehicles	-	25% reducing balance
Solar panels	-	5% straight line

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.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Investments *(continued)*

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.

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.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial Instruments *(continued)*

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.

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

The charity is 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. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	31,910	<u>31,910</u>	166,581	<u>166,581</u>

Donations receivable are wholly attributable to the charity.

6. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Arrow Mill Management Ltd	647,721	<u>647,721</u>	876,992	876,992
Easygift Trading Ltd	13,412,997	<u>13,412,997</u>	13,726,402	<u>13,726,402</u>
	<u>14,060,718</u>	<u>14,060,718</u>	<u>14,603,394</u>	<u>14,603,394</u>

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Eaygift Trading Ltd	12,802,388	<u>12,802,388</u>	13,275,989	13,275,989
Arrow Mill Management Ltd	625,676	<u>625,676</u>	669,798	669,798
	<u>13,428,064</u>	<u>13,428,064</u>	<u>13,945,787</u>	<u>13,945,787</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charity costs	370,779	<u>370,779</u>	799,562	799,562
Support costs	28,927	<u>28,927</u>	25,920	25,920
	<u>399,706</u>	<u>399,706</u>	<u>825,482</u>	<u>825,482</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charity costs	318,259	52,520	—	<u>370,779</u>	799,562
Governance costs	—	—	28,927	<u>28,927</u>	25,920
	<u>318,259</u>	<u>52,520</u>	<u>28,927</u>	<u>399,706</u>	<u>825,482</u>

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

10. Analysis of grants

	2022 £	2021 £
Grants to Institutions		
Asser Bishvil Foundation	5,030	1,000
BCGCT Halberstadt	4,000	—
British Friends of RC	4,000	—
Ohr Chodosh Tshva	4,000	—
Tree Life Club	4,000	5,875
Beis Tefila	3,760	4,570
Beis Chaya Rochel	3,000	—
Amud Hatzdokoh Trust	2,390	—
Diamond Care	2,288	—
Ezra Care	2,200	—
Sharehomes	2,000	—
Yeshivas Lev Smich	2,000	—
Kolyom Trust	1,600	—
Ahavas Chesed Trust	1,480	—
Other grants under £1,000 per institution	9,276	15,179
FFH Educational Trust	—	5,000
Freida Cope Community Centre Trust	—	2,000
Maalas Hatorah	—	3,000
Toimchei Shabbos	—	2,700
	<u>51,024</u>	<u>39,324</u>
Grants to Individuals		
Relief of poverty & educational grants	1,496	10,000
Total grants	<u>52,520</u>	<u>49,324</u>

11. Net gains on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on investment property	—	—	2,875	2,875

12. Net Income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	91,212	88,022
Foreign exchange differences	<u>273,255</u>	<u>(29,662)</u>

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

13. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the consolidated financial statements	<u>9,000</u>	<u>8,580</u>
Fees payable to the charity's auditor and its associates for other services:		
Audit of the Consolidated Financial Statements of associates	<u>11,500</u>	<u>8,000</u>

14. Staff costs

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

	2022	2021
	£	£
Wages and salaries	1,202,723	1,288,120
Social security costs	66,989	60,171
Employer contributions to pension plans	18,066	14,792
	<u>1,287,778</u>	<u>1,363,083</u>

The average head count of employees during the year was 54 (2021: 57). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of distribution staff - Easygift Trading Ltd	44	46
Number of administrative staff - Arrow Mill Management Ltd	10	11
	<u>54</u>	<u>57</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

15. 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.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

16. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	User defined asset £	Total £
Cost						
At 1 Jan 2022	2,855,689	293,185	639,844	31,541	–	3,820,259
Additions	–	–	62,478	–	150,000	212,478
At 31 Dec 2022	2,855,689	293,185	702,322	31,541	150,000	4,032,737
Depreciation						
At 1 Jan 2022	71,602	221,628	323,034	24,457	–	640,721
Charge for the year	8,722	23,304	49,910	1,776	7,500	91,212
At 31 Dec 2022	80,324	244,932	372,944	26,233	7,500	731,933
Carrying amount						
At 31 Dec 2022	2,775,365	48,253	329,378	5,308	142,500	3,300,804
At 31 Dec 2021	2,784,087	71,557	316,810	7,084	–	3,179,538

The freehold property, Arrow Mill, was externally revalued on 9th August 2017. The valuation was carried out by JLL Surveyors, on behalf of Santander Plc (the mortgage provider of the charity). Per the trustees this represents a fair value of the freehold property.

The net book value of fixed assets include £359,409 (2021 £374,181) attributable to the subsidiaries, the remaining value is attributable to the charity.

17. Investments

	Investment properties £
Cost or valuation	
At 1 January 2022 and 31 December 2022	2,875
Impairment	
At 1 January 2022 and 31 December 2022	
Carrying amount	
At 31 December 2022	2,875
At 31 December 2021	2,875

All investments shown above are held at valuation.

18. Stocks

	2022 £	2021 £
Raw materials and consumables	4,650,761	5,448,922

All stocks are attributable to the subsidiaries of the charity.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

19. Debtors

	2022	2021
	£	£
Trade debtors	661,689	621,662
Prepayments and accrued income	209,023	174,743
Other debtors	308,140	301,309
	<u>1,178,852</u>	<u>1,097,714</u>

Debtors include £870,711 (2021 £801,684) attributable to the subsidiaries of the parent charity. The remaining amount is attributable to the charity.

20. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	1,235,841	1,745,458
Trade creditors	867,487	1,837,157
Accruals and deferred income	247,261	123,053
Social security and other taxes	573,167	465,940
Obligations under finance leases and hire purchase contracts	25,000	—
Other creditors	86,653	90,814
	<u>3,035,409</u>	<u>4,262,422</u>

Creditors falling due within one year include £2,865,785 (2021 £4,091,121) attributable to the subsidiaries of the charity, the balance being due by the charity.

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

	2022	2021
	£	£
Bank loans and overdrafts	719,302	799,578
Obligations under finance leases and hire purchase contracts	102,083	—
Other creditors	1,706,946	1,819,524
	<u>2,528,331</u>	<u>2,619,102</u>

Creditors falling due after more than one year include £1,119,427 (2021 £1,312,006) attributable to the subsidiaries of the charity. The remaining amount is due by the charity.

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

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

22. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2022 £	2021 £
Not later than 1 year	25,000	—
Later than 1 year and not later than 5 years	102,083	—
	<u>127,083</u>	<u>—</u>

23. 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 £18,066 (2021: £14,792).

24. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2022 £	Income £	Expenditure £	Gains and losses £	Prior year adjustments £	At 31 Dec 2022 £
General funds	2,857,822	14,092,628	(13,827,770)	—	—	3,122,680
Revaluation reserve	1,110,634	—	—	—	—	1,110,634
	<u>3,968,456</u>	<u>14,092,628</u>	<u>(13,827,770)</u>	<u>—</u>	<u>—</u>	<u>4,233,314</u>

	At 1 Jan 2021 £	Income £	Expenditure £	Gains and losses £	Prior year adjustments £	At 31 Dec 2021 £
General funds	2,901,070	14,769,975	(14,771,269)	2,875	(44,829)	2,857,822
Revaluation reserve	1,110,634	—	—	—	—	1,110,634
	<u>4,011,704</u>	<u>14,769,975</u>	<u>(14,771,269)</u>	<u>2,875</u>	<u>(44,829)</u>	<u>3,968,456</u>

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

25. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	3,300,804	3,300,804
Investments	2,875	2,875
Current assets	6,493,375	6,493,375
Creditors less than 1 year	(3,035,409)	(3,035,409)
Creditors greater than 1 year	(2,528,331)	(2,528,331)
Net assets	4,233,314	4,233,314

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	3,179,539	3,179,539
Investments	2,875	2,875
Current assets	7,667,566	7,667,566
Creditors less than 1 year	(4,262,422)	(4,262,422)
Creditors greater than 1 year	(2,619,102)	(2,619,102)
Net assets	3,968,456	3,968,456

26. Prior year adjustments

During the audit, we identified differences between the opening balances on the consolidated reserves and those of the subsidiary trading companies and the charity.

We asked the previous auditors to explain these differences. After accepting there was a difference, they were unable to provide us with an explanation as to how and when the difference had occurred.

Further examinations of the accounts and supporting documentation of the subsidiaries and charity showed the difference was due to misstatement of fixed assets in the consolidated accounts in a period prior to the year ended 31st December 2021.

The comparative accounts (2021) have now been restated and the adjustment to the unrestricted reserve was a debit of £44,829. Brought forward balances (at 1st January 2022) for fixed assets have also then been restated.

The trustees are aware of the above and accept the restatement is necessary.

Our Kids

Company Limited by Guarantee

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

27. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Dec 2022
	£	£	£
Cash at bank and in hand	1,120,930	(457,168)	663,762
Debt due within one year	(1,745,458)	484,617	(1,260,841)
Debt due after one year	(799,578)	(21,807)	(821,385)
	<u>(1,424,106)</u>	<u>5,642</u>	<u>(1,418,464)</u>

28. Related parties

Mr S Rose, is a director and shareholder of Easygift Trading Limited and another company Easygift Logistics Ltd. During the year, Easygift Trading Ltd paid £491,645 (2021 £686,773 to Easygift Logistics Ltd for the provision of key management personnel and staff. This was paid within a services agreement between the two companies.

Included within creditors greater than one year is an amount of £1,019,818 (2021 £1,117,396) owing from Easygift Trading Ltd to Easygift Logistics Ltd.

OUR KIDS CHARITY

Notes to the financial statements Year ended 31 December 2022

29. Tangible assets

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Solar Panels	Total
	£	£	£	£	£
Cost					
At 1 January 2022	2,762,267	104,587	40,310	-	2,907,164
Additions	-	-	-	150,000	150,000
At 31 December 2022	<u>2,762,267</u>	<u>104,587</u>	<u>40,310</u>	<u>150,000</u>	<u>3,057,164</u>
Depreciation					
At 1 January 2022	-	67,635	34,172	-	101,807
Charge for the year	-	5,543	921	-	6,464
At 31 December 2022	<u>-</u>	<u>73,178</u>	<u>35,093</u>	<u>-</u>	<u>108,271</u>
Carrying amount					
At 31 December 2022	<u>2,762,267</u>	<u>31,409</u>	<u>5,217</u>	<u>150,000</u>	<u>2,948,893</u>
At 31 December 2021	<u>2,762,267</u>	<u>36,952</u>	<u>6,138</u>	<u>-</u>	<u>2,805,357</u>

30. Investments

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost			
At 1 January 2022	850,002	2,875	852,877
Additions	250,000	-	250,000
At 31 December 2022	<u>1,100,002</u>	<u>2,875</u>	<u>1,102,877</u>
Impairment			
At 1 January 2022 and 31 December 2022	-	-	-
Carrying amount			
At 31 December 2022	<u>1,100,002</u>	<u>2,875</u>	<u>1,102,877</u>
At 31 December 2021	<u>850,002</u>	<u>2,875</u>	<u>852,877</u>

OUR KIDS CHARITY

Notes to the financial statements Year ended 31 December 2022

31. Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	248,538	115,538
Prepayments and accrued income	3,548	-
Other debtors	308,140	342,440
	<u>560,226</u>	<u>457,978</u>

32. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	98,000	106,081
Accruals and deferred income	20,124	23,220
Obligations under finance leases	25,000	-
Other creditors	36,000	36,000
	<u>179,124</u>	<u>165,301</u>

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

	2022	2021
	£	£
Bank loans and overdrafts	684,144	764,596
Obligations under finance leases	102,083	-
Other creditors	533,177	542,501
	<u>1,319,404</u>	<u>1,307,097</u>

34. Obligations under finance leases

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2022	2021
	£	£
Not later than 1 year	25,000	-
Later than 1 year and not later than 5 years	102,083	-
	<u>127,083</u>	<u>-</u>
Present value of minimum lease payments	<u>127,083</u>	<u>-</u>

OUR KIDS CHARITY

Notes to the financial statements (continued) Year ended 31 December 2022

7(a). Related party transactions

Our Kids Charity owns 100% of the issued share capital of its two trading subsidiaries, Easygift Trading Ltd £1,100,101 (2021 £850,001) and Arrow Mill Management Ltd £1 (2021 £1). Investment in these shares is included in fixed asset investments.

During the year, the charity received rents totaling £235,000 from Arrow Mill Management Ltd for use of Arrow Mill.

The charity also received gift aid payments from Easygift Trading of £518,549 and Arrow Mill Management Ltd of £49,936.

At the balance sheet date Our Kids Charity was owed £248,537 by Easygift Trading Ltd and £3,648 from Arrow Mill Management Ltd.

None of the above transactions/balances are included in the consolidated financial statements.