

Charity registration number 1123173

Company registration number 05558271 (England and Wales)

**VALLEY CIDS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# VALLEY CIDS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	P R Whitaker B J Cupples D M Whitaker N J Hambley J F Turner J Brook
<b>Chief Executive</b>	I Tannahill
<b>Charity number</b>	1123173
<b>Company number</b>	05558271
<b>Registered office</b>	13 - 14 The Green Swanwick Alfreton Derbyshire DE55 1BL
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP
<b>Bankers</b>	Yorkshire Bank 26 West Gate Mansfield Nottinghamshire NG18 1HS

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# VALLEY CIDS LIMITED

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# VALLEY CIDS LIMITED

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

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The trustees of the charitable company (who for the purposes of the Companies Act are also the directors of the company) present their report with the audited consolidated financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### Objectives and activities

The principal activity of the charity is to demonstrate the Christian faith by reaching out with God's love through outreach work in schools and the wider community that supports children and young people to raise their aspirations and realise their full potential.

The Charity's mission is to build and strengthen community through serving, inspiring and equipping children, young people, and families to develop their full potential in society today.

2021 marked our 21st year as a charity and, on Sunday October 10th 2021, over 200 friends, supporters, partners, donors, trustees, staff & volunteers (past & present) gathered at the Hayes Conference Centre in Swanwick to mark this special occasion. We met as one extended Valley CiDS family to reflect on the past 21 years and to look forward with vision and anticipation to the future of the charity. The event also represented a time of transition for Valley CiDS as Dorothy Whitaker stepped back from her role as CEO, and into a new role as Valley CiDS President, and Ian Tannahill was appointed as Valley CiDS new CEO. Ian had previously been serving as Deputy CEO since September 2019 and in his address to attendees, he recognised the legacy Dorothy had created and spoke about the importance of preserving the continuity of the Valley CiDS story & DNA, ensuring that we move forward into our next 21 years with courage, compassion and an ongoing commitment to the vision and faith that has been instrumental in shaping the growth of the charity.

The senior management team comprises of the Head of Retail Sales & Marketing, the Head of Retail Operations & Services, the Director of Children's work, the Director of Young People's Services and the Director of Ethos, Values and Mission. Due to the continued growth and success of the charity's retail arm, plans are in place to review and strengthen the retail management structure.

Our Children's Workers continue to provide assistance in the primary and junior school sector delivering religious education, assemblies, lunchtime and after school clubs, and activities, including the growing development of online materials. Our vision in the coming year is to further invest in the growth of our children's department, particularly through the employment of two new Children's Outreach & RE Workers. The Zest & Get Set Out of School Clubs Valley CIDS run enable parents to leave their children in a safe environment, to enjoy a healthy breakfast. In early 2022, our Director of Children's Work – Jenny Whittaker – informed us of her plans to retire from her post at the end of July 2022. As a result, we have begun a process of reviewing the future management needs and structure relating to the oversight and leadership of our children & families outreach work.

Following the closure of Promises Day Nursery in June 2020, a subsequent decision was taken this year by the board of trustees to sell the Holmebrook Valley Family Centre building to another charity who wished to utilize the space to support the needs of the local community. The sale was completed in October 2021, and this in turn has enabled us to establish a strong and stable financial foundation for the future of the charity, particularly as we emerged from the financial impact of COVID.

# VALLEY CIDS LIMITED

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

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Valley CIDS Youth provision continues to provide enhanced opportunities for young people to access youth work support and activities and to engage in alternative education provision. In light of Ian Tannahill's appointment as Valley CIDS CEO, we have reviewed the management structure of the youth department, including the areas of day-to-day operational needs and strategic oversight. As a result of this review, we have created two new positions of 'Youth Work Manager', which have been filled by internal promotions. Additionally, it is our intent in the coming year to reappoint the position of Director of Young People's Services. It has also been a year of continued sustained growth for the youth department, particularly in terms of street-based youth provision, which is now covering an ever-widening geography due to growth in the number of external contracts and successful funding applications. The team continued to play an active role as part of the COVID response in local communities, helping to deliver food packages to families in need and activity packs to young people.

The performance of our Lighthouse Charity Shops has remained consistently strong as we emerged from COVID restrictions and thanks to the effectiveness of a revised shop & retail management structure, weekly sales have steadily increased throughout the year, despite the closure of our Glossop store in April 2021 and Swadlincote store in March 2022. Our charity shops continue to provide opportunities for people to volunteer as shop assistants hence gaining valuable work experience and confidence. We were also pleased to be able to support the government's 'Kickstart Scheme' in the past year providing six-month funded work placements for young people aged 18-24 to support them into employment with many going on to secure steady employment following the conclusion of their placements. The shops also provide a valuable opportunity to recycle and re-use goods that would otherwise be thrown away. As a charity we understand this to be an important way in which we can promote the importance of sustainability and environmental awareness with our customers and within our local communities.

Following its refurbishment and change of management, the Saltpot Community Cafe has firmly established itself as a valued local community hub, offering a place of friendship and goodwill in addition to providing an affordable menu. This has resulted in an increasing of its popularity with a growing customer & volunteer base, which in turn has helped to promote its financial sustainability.

It has been another year of sustained growth and development for the Swanwick Men's Shed project. Adapting to Covid, additional workspaces were created around the farm to enable members to work in line with Government guidelines. The 'tea trailer' was refurbished and is now fully serviced with running water and power. The shelter outside was clad and supplied with power to create a useful work area for farm users. Community projects have been many and varied including refurbishing ten park benches from Belper River Gardens on behalf of Amber Valley Borough Council, nine playground benches and planters were made for a local school and members helped with the wildlife garden and also produced range of bird and owl boxes for several conservation groups. Early in 2022, a new Shed Management Team was elected from its members to spread the workload. The shed has made two successful grant applications enabling the purchase of professional equipment to replace the ageing DIY and donated item and in the coming year, the shed will undergo a complete change of layout to create a safer work area. The Men's Shed project continues to see new members of all abilities and disabilities. A new venture was a request from Reed UK to take young people on a fixed term placement to develop their personal and social skills. This has been a great success with the first student now in employment. We continue to receive requests from a variety of organisations seeking to place people with us. The shed is most certainly at the heart of the community.

Due to the ongoing impact of COVID, our partnership with Derby City Chaplaincy has been reduced in contrast to previous years. A small number of chaplains have continued to visit our shops and we will look to progress this valuable partnership again in the coming year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

### Volunteers

The Charity benefits greatly from a strong volunteer base of over 350 people who support the operation of the Lighthouse Charity shops, the Saltpot café, the Children's Work and the Youth Work.

# VALLEY CIDS LIMITED

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

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### Achievements and performance

#### General

This year the charity has built upon the foundations set in place in our COVID recovery plan, enabling us to further promote our financial health and stability. The sale of the Holmebrook Valley Centre has enabled us to pay off existing social investment loans to Charity Bank and Big Issue Invest and the sustained recovery of our Lighthouse shop sales has also enabled us to continue paying off back rent to landlords that had accumulated during COVID. As a board we have continued to commit to meeting regularly to ensure the close monitoring of the financial resilience of the charity to ensure that we have a solid and sustainable position to move forward from. We have also continued to carry out a robust review of safeguarding practices across the charity as part of our commitment to ensuring that safeguarding remains a core value at the heart of all our activity.

#### Retail

Throughout the trading period of April 2021 to March 2022, the Lighthouse retail team have continued to drive their operations forward resulting in excellent sales month after month. This has not been an easy time for any sector navigating their way through the aftermath of the pandemic but through diversification and adapting to customer demand this trading period has been a positive one.

Unfortunately, throughout this time, we made the difficult decision to close two of our shops with the view to consolidate, reassess and operate only with profitable stores moving forward. Further areas that were explored surrounded our transport operation, eCommerce activity, staffing models and stock management. External companies were considered looking at outsourcing our fleet however the risk outweighed the return and transport continues to run as an internal operation, investing instead in new vans. eCommerce continues to also run internally exploring alternative platforms however we still feel there's a need for better infrastructure and resources to optimise success.

A key focus has been and will continue to be supporting our staff. Appraisals have been carried out with every store manager, setting a clear vision for retail and the future of the charity. The key to our people strategy is to be as honest and as transparent as possible. Training has also been a crucial factor, ensuring our new and existing staff have access to full training that is streamlined across the whole of the retail operation. This has been helped by the introduction of training managers in flagship stores. A key area of training for all retail managers has been 'Safeguarding' to ensure that staff are aware of the charity's responsibility in this area, their role within this, and that the welfare of vulnerable adults and young people is promoted throughout our shops.

To help drive stock, we changed the concept in one of our shops and re-opened it as a donation and distribution hub. This has helped the movement of stock around our retail portfolio and has proved to be hugely successful increasing sales significantly in low donation stores.

Overall, we have seen a rise in footfall and demand for our charity shops which is encouraging and indicates that our business model is working. There are some exciting developments ahead including expanding our portfolio and implementing new and improved systems relating to EPOS. All of which will enable us to be more efficient and drive sales towards ambitious targets to help our overall cause of supporting children, young people and families.

#### Children & Family Outreach

Coming out of the pandemic has been a slow but steady return for the team's work in schools. Many schools were still understandably cautious about having visitors in, whilst they continued working out their own arrangements for ensuring that both children and staff were kept safe.

This has given our team the opportunity to concentrate on developing their skills on creating short video films for the schools and others to use in assemblies and RE lessons. To support the team with this new area of work, a large 'green screen' wall has been built and also investment into video equipment including a Go Pro camera and portable specialist lighting. These have been particularly useful to use in outdoor settings, such as the Christmas videoing on a farm site in Derbyshire. As a team we have also contacted schools further out in Derbyshire that are especially near to our Lighthouse charity shops informing them of our on-line resources.

# VALLEY CIDS LIMITED

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

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During the quarter to April 2022 in person schools work has gradually returned to normal with the team delivering assemblies and RE curriculum in approximately fifty schools. It is also our intention to explore ways in which we can 'dig deeper' in our expression of mission in these settings and their wider communities. To this end we have run some listening times for children who want to talk about how they are feeling especially in relation to their Covid experiences.

Lunchtime clubs in schools have restarted, but instead of doing them in a classroom we have taken them outside. This has allowed the children to experience a sense of Awe and Wonder and being able to do activities/ tell Bible stories outside helped us to do this. A number of all-day workshops to celebrate festivals were also delivered exploring the themes of Christmas and Easter.

The team has also been preparing for our senior children's worker, Sue Stamenkovic, retirement at the end of this financial year and interviews were undertaken in March for her replacements. To bolster the team moving forward in their work it has been decided to employ two new team members that will join the charity in the next few months.

We have continued to support families through our Zest and Get Set clubs in four schools offering 'wrap around' care for families within these settings and are looking at how we manage the day-to-day administration of these clubs.

### Young People's Services

Throughout the past year we have continued to provide a range of activities, support services and alternative education provision for some of Nottinghamshire and Derbyshire's most vulnerable and at-risk young people and now regularly engage with over 600 young people on a weekly basis. Working across delivery sites, including local branches in Ripley, Heanor & Chesterfield, Turner Farm Project in Swanwick and The Enterprise Unit in Jacksdale, we have remained committed to supporting some of society's most marginalized, at risk and forgotten young people by providing an integrated and needs-led offer of support and opportunity.

Our youth work delivery has continued to expand significantly during the past year and the team are now actively delivering weekly community-based youth & community work in areas of Amber Valley, North East Derbyshire, Chesterfield and Derbyshire Dales. We have seen particular growth in our work in Chesterfield and surrounding areas. This has largely been due to securing a two-year public health contract with Chesterfield Borough Council to support the emotional well-being of young people through youth work engagement in five targeted areas.

This focus on the mental and emotional well-being of young people has been an important theme for the youth team in the past year, particularly in supporting young people with the ongoing impact of the COVID-19 pandemic. An important aspect therefore of the team's delivery has been providing 1:1 mentoring support for young people together with well-being projects. Additionally, in the summer of 2021, we delivered a significant piece of work called – 'Summer of Well-Being'. Taking place during the six-week summer holidays, the initiative recognized the disruption that COVID-19 had brought to the lives of young people, leaving many feel anxious, isolated and alone. In response, through a mix of donations, money raised through our charity shops, and external funding, we were able to offer six fun-packed, memorable weeks, full of activities, workshops, well-being sessions and day trips – enabling young people to try new things, make new friends, and gain the skills & confidence they needed to move forward into the next chapter of their lives.

In Spring 2021, we had a great opportunity to work with the Derbyshire Police Crime Commissioner, securing funding to make an educational video on raising awareness of hate and knife crime. Working with a professional production company, the young people researched the topic, shared their personal thoughts and feelings, and then put their learning and experiences into a film. They personally wrote, directed, filmed and acted in their own short film. In July 2021, we then held an online showcase event in July, at which we were joined by Derbyshire Police & Crime Commissioner – Angelique Foster – and our Deputy CEO, Ian Tannahill. Each young person received a certificate of their achievements and a copy of the video.

Support for young people and their families post-Covid has continued to be an important part of the youth team's work in the past year. With the help and support from Asda in Heanor we were able to give out care packages and Christmas hampers to young people in need to help an isolated Christmas feel that little bit better. We have also been able to participate locally in the delivery of the government's Holiday Activities and Food (HAF) programme, providing healthy meals and enriching activities to local young people and their families.

# VALLEY CIDS LIMITED

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

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It has been another year of significant growth & development for our alternative education provision. We have seen a steady increase in our school's referral network and now support approximately 70 students each academic year from across Derbyshire & Nottinghamshire, all of whom are facing barriers to mainstream education or have been excluded from. As of September 2021, in light of our approval as Pearson Centre, we were able to roll out new BTEC qualifications across all of our Alternative Education sites, therefore enhancing the education offer to the young people we support. These qualifications have complemented the ASDAN short courses, AQA Awards, Functional Skills in Maths and English, which we have continued to deliver. The BTECs are designed to give our learners the skills needed to progress to Level 2 qualifications. The new qualifications are all recognised BTEC Level 1s and introductions to Level 1s, which are accredited by Pearson: At the Woodwork Education and Enterprise Project we now deliver an Introduction to Level 1 BTEC in Construction. At Turner Farm we now deliver an introduction to Level 1 BTEC in Land based studies, and across all sites, we also deliver a Level 1 BTEC in Personal Growth and Wellbeing.

Moving forward, we continue to explore new opportunities and partnerships that will enable us to further expand the reach of our work and in turn to help with connecting geographically with our Lighthouse charity shop network. One area of particular focus is the High Peak, Derbyshire and as such we are already meeting with local community figures and groups there to explore possibilities of establishing provision in this area.

### Financial review

It is the aim of trustees that the charity should maintain unrestricted funds at a level which equates to six weeks expenditure, with a view to increasing this as and when this is financially appropriate. This would provide sufficient funds to cover management workers and administration and support costs. Based upon our Management Accounts to 30 September 2022, our expenditure for the six months including finance costs is £2,068,355. Reserves to cover one month's costs would therefore equate to £344,725, and 6 weeks would be £477,313.

Total funds of the group at the year-end amounted to £1,304,723, of which £782,076 relate to endowment funds, leaving a surplus on unrestricted general reserves of £522,647. At the year end there was a surplus on free reserves including long term liabilities of £209,890 (2021: (£344,670)).

At present there are insufficient unrestricted funds available to accomplish this, but continual effort is being made to secure more charity shops, reduce our operating costs and raise the level of income accordingly in order to achieve this target. Further details of measures being undertaken following the outbreak of COVID-19 are detailed later in this report under Post Balance Sheet Events.

### Going Concern

At 31 March 2022 total reserves amounted to £1,304,723, of which £782,076 related to the endowment fund leaving unrestricted reserves of £522,647 an increase of £240,160 on the previous year. Of the general reserves there is a surplus of £209,890 on free reserves.

The trustees are in the process of adopting various measures to reduce costs and provide working capital to enable the charitable company to meet its obligations as they fall due. These measures include:

- Reductions in the operating costs of its trading activities
- Expansion of trading activities relating to charity shops through additional shop openings
- Negotiations with funders to extend facilities available
- Placing one or more properties for sale

The trustees consider that such measures will improve the level of free reserves in line with its reserves policy. Consequently, the trustees consider that the financial statements of the charity should be prepared on a going concern basis.



# VALLEY CIDS LIMITED

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

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### Principal funding sources:

Principal funding sources are:

- Charity shop trading income, donations, and associated gift aid of £3,499,290 of which £244,581 was Covid-19 funding (prior year £3,122,930)
- Nursery fees at Promises nursery in Chesterfield of £Nil (prior year £21,170). This reduction was due to the charity ceasing operation of the nursery in June 2020.
- Blend income, principally alternative education, of £266,982 (prior year £194,027)

The most significant funding stream for the charity is the trading income from charity shops. The charity had 34 shops at the end of the current financial year. The income from the charity shops in 2021/22 increased by 169.7% compared to the prior year, because of Covid-19 closures in the prior year.

The running costs of the charity shops increased by 28.9% from £2,132,927 in 2020/21 to £2,749,616 in 2021/22, which was mainly because 90% of the staff were placed on furlough during Covid-19 lockdown in the prior year.

### Investment Policy

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the charity, but as the charity has no funds available for investment at this point in time, nor is it envisaged that there will be in the foreseeable future, there is no defined investment policy in place and nor are there any investments currently held.

### Principal Risks and Uncertainties

The charity is reliant on charity shop income but nevertheless we have been able to sustain a high level of sales over this period even though retail sales in the high street have generally suffered. Over the year we have managed to stabilise our income so that to date we have not seen any material impact to the ability of the charity to fund activities at the current level. This will be closely monitored over the next year. Salary costs, including social security and Pensions comprise more than 59% of total expenditure and the Government has pledged to increase the living wage to £9.50/hour by 2022.

### Plans for Future Periods

As outlined above, a key emphasis for the charity in the coming year is to both review and strengthen departmental management structures to ensure that there is a solid and effective platform for continued growth throughout each area of our work. In the case of both the children's and youth departments, the retirement of Jenny Whitaker and Ian Tannahill's appointment as charity CEO respectively, will require a focus on recruiting for the ongoing leadership of these departments. We will also be considering how to strengthen our core management, focusing particularly on areas where added expertise and/or capacity is needed, such as in the area of marketing and communications. Despite having closed two of our underperforming charity shops in the past year, increased outgoings, particularly in terms of energy costs, will mean a renewed focus on opening a number of new shops to contribute to addressing this increased cost and to support the ongoing growth of the charity.

# VALLEY CIDS LIMITED

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

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### Structure, governance and management

Valley CIDS is based at 13-14 The Green, Swanwick, Alfreton, Derbyshire, DE55 1BL which is also the registered office and principal address of the charity.

The organisation is a charitable company limited by guarantee (no. 05558271) originally incorporated on 8 September 2005 under the Memorandum and Articles of Association as amended by special resolution dated 4 March 2009 and 16 March 2009. The company registered as a charity on 12 March 2008 (no 1123173). In the event of the company being wound up all members are required to contribute an amount not exceeding £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P R Whitaker

B J Cupples

D M Whitaker

N J Hambley

J F Turner

R M A Marston

(Resigned 1 January 2022)

J Brook

An annual review of the Trustees training requirements is undertaken together with the training and information provided to any new Trustees.

### Internal Control

The purchasing process, whereby alternative quotes are obtained, is important to the achievement of best value for Valley CIDS and is expected for all items of expenditure above £500.

Management Accounts are distributed within 15 working days of the month end to the Senior Management Team and Trustees. They include an Income and Expenditure Statement, Balance Sheet, Cash Flow forecast and sales statistics.

### Pay Policy for Key Management Personnel

The trustees base the pay of key management personnel on market rates for similar roles.

### Risk Management

The trustees actively review the major risk which the charity faces on a regular basis and their aim is to focus on increasing reserves to fall in line with our reserves policy. This combined with an annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

### Fundraising Policy Statement

Our funding continues to be predominantly through our Charity shops, but we also do receive some gifts from local churches and individuals. We have been expanding our Alternative Education provision which also generates income for the charity. We continue to discuss alternative methods of funding our work in the future and, whilst we do not engage in any form of direct marketing, we have in the past year engaged communications and fundraising consultancy support to help us develop a more coherent communications and donor journey strategy.

# VALLEY CIDS LIMITED

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

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### Related Parties

Valley CIDS is a charitable company which owns two other companies, they are:

- Valley CIDS Trading Company Limited which is used as an agent for charity shop donations with the net proceeds of these donations being donated to the charity. Valley CIDS Trading Company Limited also manages and operates the charity shops.
- Family Centres Limited - this was struck off the Company Register on 23 March 2021.

There is also a uniting direction in place between Valley CIDS and the Turner Educational Charity. The two charities are not formally amalgamated but share common administration.

See the related party transaction note for other related party disclosures.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....  
**P R Whitaker**

Chair

Dated: .....

16<sup>th</sup> December 2022

# **VALLEY CIDS LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2022***

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The trustees, who are also the directors of Valley CIDS Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

# VALLEY CIDS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF VALLEY CIDS LIMITED

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### Opinion

We have audited the financial statements of Valley CIDS Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# VALLEY CIDS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF VALLEY CIDS LIMITED

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### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

# VALLEY CIDS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF VALLEY CIDS LIMITED

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

Date: 16.12.2022

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# VALLEY CIDS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	3	833,660	-	833,660	2,134,397	-	2,134,397
Charitable activities	4	328,948	-	328,948	231,428	-	231,428
Other trading activities	5	2,710,958	-	2,710,958	1,009,834	-	1,009,834
Investments	6	84	-	84	253	-	253
Other income	7	106,257	-	106,257	-	-	-
<b>Total income</b>		<b>3,979,907</b>	<b>-</b>	<b>3,979,907</b>	<b>3,375,912</b>	<b>-</b>	<b>3,375,912</b>
<b>Expenditure on:</b>							
Raising funds	8	2,749,616	-	2,749,616	2,132,927	-	2,132,927
Charitable activities	9	1,003,950	-	1,003,950	915,561	-	915,561
<b>Total expenditure</b>		<b>3,753,566</b>	<b>-</b>	<b>3,753,566</b>	<b>3,048,488</b>	<b>-</b>	<b>3,048,488</b>
<b>Net incoming resources before transfers</b>		<b>226,341</b>	<b>-</b>	<b>226,341</b>	<b>327,424</b>	<b>-</b>	<b>327,424</b>
Gross transfers between funds		13,819	(13,819)	-	14,283	(14,283)	-
<b>Net movement in funds</b>		<b>240,160</b>	<b>(13,819)</b>	<b>226,341</b>	<b>341,707</b>	<b>(14,283)</b>	<b>327,424</b>
Fund balances at 1 April 2021		282,487	795,895	1,078,382	(59,220)	810,178	750,958
<b>Fund balances at 31 March 2022</b>		<b>522,647</b>	<b>782,076</b>	<b>1,304,723</b>	<b>282,487</b>	<b>795,895</b>	<b>1,078,382</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# VALLEY CIDS LIMITED

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	13	1,094,833		1,023,052	
Investment properties	14	-		400,000	
		<u>1,094,833</u>		<u>1,423,052</u>	
<b>Current assets</b>					
Debtors	16	273,148		112,892	
Investments	17	4,208		4,208	
Cash at bank and in hand		281,783		348,012	
		<u>559,139</u>		<u>465,112</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(312,582)</u>		<u>(466,498)</u>	
Net current assets/(liabilities)			246,557		(1,386)
<b>Total assets less current liabilities</b>			1,341,390		1,421,666
<b>Creditors: amounts falling due after more than one year</b>	19		(36,667)		(343,284)
<b>Net assets</b>			<u>1,304,723</u>		<u>1,078,382</u>
<b>Capital funds</b>					
Endowment funds - general	21	782,076		795,895	
<b>Income funds</b>					
Unrestricted funds		522,647		282,487	
		<u>1,304,723</u>		<u>1,078,382</u>	

# VALLEY CIDS LIMITED

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on .....16<sup>th</sup> December 2022

.....P R Whitaker

P R Whitaker  
Trustee

Company Registration No. 05558271

# VALLEY CIDS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	13	1,084,172		1,013,315	
Investment properties	14	-		400,000	
Investments		1		1	
		<u>1,084,173</u>		<u>1,413,316</u>	
<b>Current assets</b>					
Debtors	16	261,143		100,203	
Investments	17	4,208		4,208	
Cash at bank and in hand		272,587		332,399	
		<u>537,938</u>		<u>436,810</u>	
<b>Creditors: amounts falling due within one year</b>	18	(284,945)		(432,684)	
Net current assets		<u>252,993</u>		<u>4,126</u>	
<b>Total assets less current liabilities</b>		<u>1,337,166</u>		<u>1,417,442</u>	
<b>Creditors: amounts falling due after more than one year</b>	19	(36,667)		(343,284)	
<b>Net assets</b>		<u><u>1,300,499</u></u>		<u><u>1,074,158</u></u>	
<b>Capital funds</b>					
Endowment funds - general	21	782,076		795,895	
<b>Income funds</b>					
Unrestricted funds		<u>518,423</u>		<u>278,263</u>	
		<u><u>1,300,499</u></u>		<u><u>1,074,158</u></u>	

# VALLEY CIDS LIMITED

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2022**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on .....16<sup>th</sup> December 2022

.....P.R. Whitaker

P R Whitaker  
Trustee

**Company Registration No. 05558271**

# VALLEY CIDS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	27		(103,607)		342,845
<b>Investing activities</b>					
Purchase of tangible fixed assets		(104,417)		(37,220)	
Proceeds on disposal of investment property		508,000		-	
Investment income received		84		253	
<b>Net cash generated from/(used in) investing activities</b>			403,667		(36,967)
<b>Financing activities</b>					
Repayment of borrowings		(31,673)		-	
Repayment of bank loans		(334,616)		65,264	
<b>Net cash (used in)/generated from financing activities</b>			(366,289)		65,264
<b>Net (decrease)/increase in cash and cash equivalents</b>			(66,229)		371,142
Cash and cash equivalents at beginning of year			348,012		(23,130)
<b>Cash and cash equivalents at end of year</b>			281,783		348,012

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Valley CIDS is a private company limited by guarantee and incorporated in England and Wales. The registered office is 13-14 The Green, Swanwick, Alfreton, Derbyshire, DE55 1BL. The members of the charity are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

##### 1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly allocated to particular headings, they have been allocated to activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the charity's compliance with constitutional and statutory requirements.

Irrecoverable VAT is allocated in the manner stated above for non-direct costs.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line. Freehold land is not depreciated.
Fixtures and fittings	20% reducing balance.
Shop and office equipment	20% reducing balance.
Motor vehicles	25% reducing balance.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

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

#### 1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

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

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



# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 3 Donations and legacies

	2022 £	2021 £
Donations and gifts	473,260	163,649
COVID funding	244,581	1,935,387
Gift aid	115,819	35,361
	<u>833,660</u>	<u>2,134,397</u>

### 4 Charitable activities

	2022 £	2021 £
Nursery fees	-	21,170
Breakfast clubs	30,581	8,905
Blend projects	266,982	194,027
Other income	8,374	7,326
Men's Shed	23,011	-
	<u>328,948</u>	<u>231,428</u>
Analysis by fund		
Unrestricted funds	<u>328,948</u>	<u>231,428</u>
	<u>328,948</u>	<u>231,428</u>

### 5 Other trading activities

	2022 £	2021 £
Saltpot sales	18,998	2,381
Charity shops & ebay sales	2,665,630	988,533
Rental income	23,849	18,358
Other income	2,481	562
Other trading activities	<u>2,710,958</u>	<u>1,009,834</u>

### 6 Investments

	2022 £	2021 £
Interest receivable	<u>84</u>	<u>253</u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 7 Other income

	Unrestricted funds	Total
	2022 £	2021 £
Net gain on disposal of tangible fixed assets	106,257	-

### 8 Raising funds

	2022 £	2021 £
Charity shops & café		
Operating charity shops	1,292,826	966,395
Staff costs	1,446,114	1,154,610
Depreciation and impairment	10,676	11,922
Charity shops & café	2,749,616	2,132,927

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 9 Charitable activities

	2022 £	2021 £
Staff costs	478,219	517,405
Depreciation and impairment	19,143	20,104
Bank charges	6	347
Rent, rates and power	78,425	54,163
Insurance	589	542
Printing, postage and stationery	764	1,276
Recruitment and training	2,005	1,471
Repairs and computer costs	29,870	9,173
Equipment hire	2,262	3,600
Legal and professional	13,505	7,774
Sundry costs	12,296	6,141
Subscriptions	1,249	3,313
Travel/motor costs	4,515	1,469
Telephone	15,464	9,931
Goods and consumables	2,766	1,959
Advertising and PR	450	-
Activity and event costs	17,472	11,301
Men's Shed costs	9,472	-
	<u>688,472</u>	<u>649,969</u>
Share of support costs (see note 10)	293,130	244,269
Share of governance costs (see note 10)	22,348	21,323
	<u><u>1,003,950</u></u>	<u><u>915,561</u></u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 10 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	183,080	-	183,080	162,581	162,581
Depreciation	1,072	-	1,072	962	962
Insurance	32,575	-	32,575	32,733	32,733
Loan interest	10,731	-	10,731	15,307	15,307
Legal costs	20,405	-	20,405	11,792	11,792
Other costs	45,267	-	45,267	20,894	20,894
Audit fees	-	11,025	11,025	-	10,500
Accountancy	-	11,323	11,323	-	10,823
	<u>293,130</u>	<u>22,348</u>	<u>315,478</u>	<u>244,269</u>	<u>265,592</u>
Analysed between					
Charitable activities	<u>293,130</u>	<u>22,348</u>	<u>315,478</u>	<u>244,269</u>	<u>265,592</u>

Governance costs includes payments to the auditors of £11,025 (2021- £10,500) for audit fees.

### 11 Trustees

During the year J Brook, who was a trustee of the charity, received total remuneration of £9,430 (2021: £7,721) and pension contributions of £nil (2021: £386) as approved by the Charity Commission. No other trustees received any remuneration. None of the trustees were reimbursed for expenses. The number of directors to whom retirement benefits are accruing under money purchase schemes is 1 (2021: 1).

The key management personnel comprise the trustees the Chief Executive Officer and the Deputy Chief Executive Officer. The total employment benefits of the key management personnel were £64,199 (2021: £60,182).

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
144	141

#### Employment costs

	2022 £	2021 £
Wages and salaries	1,946,589	1,706,065
Social security costs	111,163	81,437
Other pension costs	49,661	47,094
	<u>2,107,413</u>	<u>1,834,596</u>

### 13 Tangible fixed assets Group

	Freehold land and buildings £	Fixtures and fittings £	Shop and office equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2021	1,061,293	332,159	178,707	72,219	1,644,378
Additions	96,000	1,838	6,579	-	104,417
Disposals	-	(14,105)	(2,441)	-	(16,546)
At 31 March 2022	<u>1,157,293</u>	<u>319,892</u>	<u>182,845</u>	<u>72,219</u>	<u>1,732,249</u>
<b>Depreciation and impairment</b>					
At 1 April 2021	105,928	297,529	158,026	59,843	621,326
Depreciation charged in the year	16,474	9,511	1,813	3,094	30,892
Eliminated in respect of disposals	-	(12,666)	(2,136)	-	(14,802)
At 31 March 2022	<u>122,402</u>	<u>294,374</u>	<u>157,703</u>	<u>62,937</u>	<u>637,416</u>
<b>Carrying amount</b>					
At 31 March 2022	<u>1,034,891</u>	<u>25,518</u>	<u>25,142</u>	<u>9,282</u>	<u>1,094,833</u>
At 31 March 2021	<u>955,365</u>	<u>34,630</u>	<u>20,681</u>	<u>12,376</u>	<u>1,023,052</u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 13 Tangible fixed assets

(Continued)

Charity	Freehold land and buildings £	Fixtures and fittings £	Shop and office equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2021	1,061,293	297,057	171,903	72,219	1,602,472
Additions	96,000	-	5,344	-	101,344
Disposals	-	(14,105)	(2,441)	-	(16,546)
At 31 March 2022	1,157,293	282,952	174,806	72,219	1,687,270
Depreciation and impairment					
At 1 April 2021	105,928	266,697	156,689	59,843	589,157
Depreciation charged in the year	16,474	7,800	1,375	3,094	28,743
Eliminated in respect of disposals	-	(12,666)	(2,136)	-	(14,802)
At 31 March 2022	122,402	261,831	155,928	62,937	603,098
Carrying amount					
At 31 March 2022	1,034,891	21,121	18,878	9,282	1,084,172
At 31 March 2021	955,365	30,360	15,214	12,376	1,013,315

The Turner's Farm at Swanwick was valued by Bagshaws Chartered Surveyors, in the amount of £800,000 at 10 March 2020, on an open market value basis in accordance with the RICS valuation Standards. Under the transitional exemptions available under FRS102, the charity has treated the previous GAAP valuation as deemed cost. The historic cost of the Turner's Farm is estimated at £500 by the directors.

Included in freehold property is land estimated at £300,000 that is not depreciated.

In the year ended 31 March 2016 the company was gifted freehold properties at The Compass, 47 West Bars, Chesterfield. This was included at a cost of £165,000 based on an open market valuation at 1 December 2015 by Richard Savage in accordance with the RICS valuation Standards. The Compass was value by Bothams Chartered Surveyors, in the amount of £325,000 at 5 April 2019, on an open market value in accordance with the ROCIS valuation Standards.

All other assets are included at historic cost.

### 14 Investment property

2022  
£

#### Fair value

At 1 April 2021	400,000
Disposals	(400,000)
At 31 March 2022	-

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 14 Investment property

(Continued)

In the year ended 31 March 2016 the company was also gifted Holmebrook Valley Family Centre and Church Hall, Wardgate Way, Holme Hall, Chesterfield. This was included at a cost of £200,000 based on an open market valuation at 1 December 2014 by Richard Savage in accordance with the RICS valuation Standards. This property has been treated as an investment property in accordance with SORP (FRS102) and measured at fair value. The directors re-evaluated the fair value of this property as at 31 March 2018 at a value of £400,000 based upon their knowledge of the property market in that area.

15 Financial instruments	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	4,208	4,208

### 16 Debtors

	2022 £	Group 2021 £	2022 £	Company 2021 £
Amounts falling due within one year:				
Trade debtors	46,419	2,868	42,607	2,409
Other debtors	112,311	29,641	106,349	22,718
Prepayments and accrued income	114,418	80,383	112,187	75,076
	<u>273,148</u>	<u>112,892</u>	<u>261,143</u>	<u>100,203</u>

### 17 Current asset investments Group and company

	2022 £	2021 £
Unlisted investments	4,208	4,208

### 18 Creditors: amounts falling due within one year

	Notes	2022 £	Group 2021 £	2022 £	Company 2021 £
Bank loans	20	18,760	53,327	18,760	53,327
Other borrowings		-	25,105	-	25,105
Other taxation and social security		26,695	14,730	26,695	14,730
Trade creditors		149,305	227,625	141,940	214,871
Amounts owed to subsidiary undertakings		-	-	56,043	86,133
Other creditors		8,850	7,482	8,850	7,482
Accruals and deferred income		108,972	138,229	32,657	31,036
		<u>312,582</u>	<u>466,498</u>	<u>284,945</u>	<u>432,684</u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 19 Creditors: amounts falling due after more than one year

Group and company	Notes	2022 £	2021 £
Bank loans	20	36,667	336,716
Other borrowings		-	6,568
		<u>36,667</u>	<u>343,284</u>

### 20 Loans and overdrafts

Group and company	2022 £	2021 £
Bank loans	55,427	390,043
Other loans	-	31,673
	<u>55,427</u>	<u>421,716</u>
Payable within one year	18,760	78,432
Payable after one year	<u>36,667</u>	<u>343,284</u>

Bank loans comprise a loan from Charity Bank Ltd totalling £nil (2021: £340,042) which was secured against certain of the charity's properties and a joint and several guarantee as described in note 27. The bank loan has been fully repaid. The total amount due by instalment after more than five years is £nil (2021: £142,846).

Other loans comprise a Big Issue loan totalling £8,760 (2021: £31,673). This loan is repayable at 8% interest per annum and is wholly repayable in two years. There is also a Yorkshire Bank Bounce Back loan totalling £46,667 (2021 : £50,000) which is wholly repayable in five years.

### 21 Endowment funds

The endowment fund represents assets held by a linked charity, the Turner's Educational Charity. It is currently understood that the land and buildings of the linked charity are an expendable endowment fund. These assets were originally entrusted to the Turner's Educational Charity in the 1700's and the trustees are currently investigating whether the original gift was in the nature of an endowment or not.

	Balance at 1 April 2020 £	Transfers £	Balance at 1 April 2021 £	Transfers £	Balance at 31 March 2022 £
<b>Permanent endowments</b>					
Turner's Educational Farm	810,178	(14,283)	795,895	(13,819)	782,076
	<u>810,178</u>	<u>(14,283)</u>	<u>795,895</u>	<u>(13,819)</u>	<u>782,076</u>



# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 22 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	312,757	782,076	1,094,833	227,157	795,895	1,023,052
Investment properties	-	-	-	400,000	-	400,000
Current assets/(liabilities)	246,557	-	246,557	(1,386)	-	(1,386)
Long term liabilities	(36,667)	-	(36,667)	(343,284)	-	(343,284)
	<u>522,647</u>	<u>782,076</u>	<u>1,304,723</u>	<u>282,487</u>	<u>795,895</u>	<u>1,078,382</u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 23 Operating lease commitments

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

	2022 £	2021 £
Within one year	369,130	443,985
Between two and five years	271,896	474,996
In over five years	13,250	39,083
	<u>654,276</u>	<u>958,064</u>

### 24 Related party transactions

During the year the group made purchases totaling £6,693 (2021: £365) from Andrews Builders Limited a company in which the P R Whitaker and D M Whitaker are directors. This had been approved by the trustees. Amounts due to Andrews Builders Limited at the year end totaled £nil (2020: £nil).

Unconditional donations received from trustees during the year amounted to £4,400 (2021: £4,400).

During the year trustees provided interest free loans totaling £nil (2021: £nil) that are repayable on demand and interest free. Amounts repaid during the year amounted to £nil (2021: £70,000). The total of such loans outstanding at the year end was £nil (2021: £nil).

There is a uniting direction in place between Valley CIDS and the Turner's Educational Charity. The two charities are not formally amalgamated but share common administration. The accounts of the Turner's Educational Charity have been aggregated into these financial statements.

During the year the group purchased a property from P R Whitaker and D M Whitaker for £96,000.

### 25 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Valley CIDS Trading Company Limited	England	Charity shops	Ordinary shares	100.00

### 26 Analysis of changes in net funds/(debt)

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	348,012	(66,229)	281,783
Loans falling due within one year	(78,432)	59,672	(18,760)
Loans falling due after more than one year	(343,284)	306,617	(36,667)
	<u>(73,704)</u>	<u>300,060</u>	<u>226,356</u>

# VALLEY CIDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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27	Cash generated from operations	2022 £	2021 £
	Surplus for the year	226,341	327,424
	Adjustments for:		
	Investment income recognised in statement of financial activities	(84)	(253)
	Gain on disposal of tangible fixed assets	(106,257)	-
	Amortisation and impairment of intangible assets	1,072	962
	Depreciation and impairment of tangible fixed assets	29,819	32,026
	Movements in working capital:		
	(Increase) in debtors	(160,254)	(9,903)
	(Decrease) in creditors	(94,244)	(7,411)
		<hr/>	<hr/>
	<b>Cash (absorbed by)/generated from operations</b>	<b>(103,607)</b>	<b>342,845</b>
		<hr/> <hr/>	<hr/> <hr/>