

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2021
for
Second Chance Association

Wright Vigar Limited
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Second Chance Association

Contents of the Financial Statements
for the Year Ended 31 December 2021

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11
Detailed Statement of Financial Activities	12

Second Chance Association
Report of the Trustees
for the Year Ended 31 December 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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

Objectives and aims

The relief of those who are in need by reason of youth, age, ill health, disability, financial hardship or other disability, for the public benefit, by making grants particularly, but not exclusively, to charities or community organisations providing support in these areas.

The advancement of education, for the public benefit, by making grants to educational establishments working to sustain and increase individual and collective knowledge in the UK and overseas. The grants are to be used by the establishments in particular, but not exclusively, for supporting the costs of providing education and extracurricular activities.

The advancement of citizenship and community development through supporting youth groups and the voluntary sector by providing opportunities in particular, but not exclusively to volunteer in the Charity's shop and the Charity's events and to gain work experience or by making grants to youth groups to support the costs of their work or special events.

The advancement of Christianity by making grants to organisations supporting missionary and outreach work in the UK and abroad.

Main Activities

Second Chance Association's main activity is the running of a charity shop selling donated items from the local community. The shop sells clothes, household goods, small items of furniture, books, games etc. The sales strategy is to maintain very low prices but good quality. Donated items of higher value are sold through the shops Facebook site and an online auction site.

The charity shop also acts as a collection point for the local food bank, collects spectacles on behalf of Vision Aid, sells cards to raise money for Sightsavers and recycles unsaleable goods including clothing, shoes, bags and books. The shop has developed a reputation for being a warm and welcoming place and the volunteers offer friendship, support and help to customers.

Volunteers

We have around 25 volunteers of all ages and this will include people on Job Seekers schemes and young people on work experience.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2021 the Charity's shop business activity was impacted by Covid restrictions. Fortunately, volunteers were largely virus free and although some who were vulnerable stayed at home during times of high infection rates all returned to help in the shop as soon as they could. Because of this the shop managed to maintain a reasonably normal pattern of receiving and selling donations. With the help of government grants and good control measures on costs, we were therefore able to end the year with a net profit of £21,590. Unfortunately, the necessity to retain funds to ensure that financial obligations were met meant that donations to extend the charities and community organisations were much less than previous years. Nevertheless, at the end of the year Second Chance was far better positioned to start 2022 than we might have expected.

Second Chance Association
Report of the Trustees
for the Year Ended 31 December 2021

FINANCIAL REVIEW

Financial position

Charity's principle sources of funds

Sales from the shop. This is by far the greatest source of income. The items on sales are all from donations. Very few donations are refused. If it will get through the door we will sell it.

Additional income is from sub-letting a room, small change collection boxes, selling suitable items through local salerooms, on-line sales and cash donations.

How expenditure has supported the key objectives of the charity

During 2021 Second Chance Association has donated as follows;

	£
Education for Life	780
Junction (meals for vulnerable local people)	2,080
TOTAL	£2,860

Reserves policy

Second Chance Association is a small charity with annual income of approximately £30,000

The reserves policy seeks to ensure that:

The day to day planned operational costs are covered.

The business is able to meet its financial obligations annually.

Time is allowed for the business to be turned around if not making a profit.

The charity has enough cash-flow to deal with the risk of an unexpected emergency.

All liabilities are covered, should the charity need to be closed.

To limit the financial risk to trustees.

In order to achieve these aims Second Chance Association has agreed a reserves policy of holding reserves to cover 9 months running costs in the event of a major problem.

FUTURE PLANS

Our main goal for 2022 is to return to our previous level of donations made to local charities. Although the impact of covid 19 on society is considerably less, there are other considerations of which we need to be aware. There are far reaching economic changes which will influence the cost of living such as inflation and the huge increase in the cost of fuel and energy. This could mean less money for customers to spend and become more reluctant to replace goods & clothing which would normally be donated on to us.

Therefore during 2022 we plan to reduce the cost of lighting by replacing old equipment and to expand the variety of items we sell to include more household and electrical goods. Also exploring greater use of online marketplaces.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of other respected individuals within the local community. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the persons eligibility, personal competence, specialist knowledge and skills.

Induction and training of new trustees

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1126099

Second Chance Association

Report of the Trustees
for the Year Ended 31 December 2021

Principal address

30 Boston Road
Sleaford
Lincolnshire
NG34 7ET

Trustees

Mr R J Munro
Mrs R A Parry (resigned 13.9.21)
Miss A Maltby
Mrs K D Pratchett
Mr A J Griffiths (resigned 13.9.21)
J Adams
L Freeman

Independent Examiner

Wright Vigar Limited
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Bankers

Barclays Bank Plc
Market Place
Newark
Nottinghamshire
NG24 1DY

Approved by order of the board of trustees on 20th May 2022 and signed on its behalf by:

K. Pratchett
Mrs K D Pratchett - Trustee

**Independent Examiner's Report to the Trustees of
Second Chance Association**

Independent examiner's report to the trustees of Second Chance Association

I report to the charity trustees on my examination of the accounts of Second Chance Association (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



James Sewell BA (Hons) FCA CTA
Wright Vigar Limited
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Date: 23/5/22

Second Chance Association
Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		211	1,297
Charitable activities	3		
Shop		42,988	28,628
Other trading activities	2	479	721
Total		43,678	30,646
EXPENDITURE ON			
Charitable activities	4		
Shop		22,088	39,644
NET INCOME/(EXPENDITURE)		21,590	(8,998)
RECONCILIATION OF FUNDS			
Total funds brought forward		35,189	44,187
TOTAL FUNDS CARRIED FORWARD		56,779	35,189

The notes form part of these financial statements

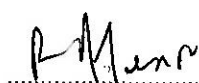
Second Chance Association

Balance Sheet
31 December 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
FIXED ASSETS			
Tangible assets	8	212	119
CURRENT ASSETS			
Debtors	9	401	541
Cash at bank		57,443	35,850
		<u>57,844</u>	<u>36,391</u>
CREDITORS			
Amounts falling due within one year	10	(1,277)	(1,321)
NET CURRENT ASSETS		<u>56,567</u>	<u>35,070</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		56,779	35,189
NET ASSETS		<u>56,779</u>	<u>35,189</u>
FUNDS	11		
Unrestricted funds		56,779	35,189
TOTAL FUNDS		<u>56,779</u>	<u>35,189</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:


.....
Mrs K D Pratchett - Trustee


.....
Mr R J Munro - Trustee

Second Chance Association

Notes to the Financial Statements **for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment- cafe - 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Room hire	479	721

Second Chance Association

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Sales	Shop	30,078	16,397
Grants	Shop	12,910	12,231
		<u>42,988</u>	<u>28,628</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Grant funding of activities £	Support costs £	Totals £
Shop	<u>17,987</u>	<u>2,937</u>	<u>1,164</u>	<u>22,088</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	2,765	2,681
Rates and water	659	2,443
Insurance	1,256	1,319
Light and heat	2,100	5,479
Postage and stationery	19	4
Sundries	241	248
Repairs and renewals	551	791
Rent	9,200	9,200
Cleaning	1,144	756
Depreciation	52	39
	<u>17,987</u>	<u>22,960</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,297
Charitable activities	
Shop	28,628
Other trading activities	721
Total	<u>30,646</u>
EXPENDITURE ON	
Charitable activities	
Shop	39,644
NET INCOME/(EXPENDITURE)	<u>(8,998)</u>

Second Chance Association

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
RECONCILIATION OF FUNDS	
Total funds brought forward	44,187
TOTAL FUNDS CARRIED FORWARD	<u>35,189</u>

8. TANGIBLE FIXED ASSETS

	Office Equipment- cafe £
COST	
At 1 January 2021	1,951
Additions	145
At 31 December 2021	<u>2,096</u>
DEPRECIATION	
At 1 January 2021	1,832
Charge for year	52
At 31 December 2021	<u>1,884</u>
NET BOOK VALUE	
At 31 December 2021	<u>212</u>
At 31 December 2020	<u>119</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Prepayments	<u>401</u>	<u>541</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	299	403
Other creditors	978	918
	<u>1,277</u>	<u>1,321</u>

11. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	35,189	21,590	56,779
TOTAL FUNDS	<u>35,189</u>	<u>21,590</u>	<u>56,779</u>

Second Chance Association

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	43,678	(22,088)	21,590
TOTAL FUNDS	<u>43,678</u>	<u>(22,088)</u>	<u>21,590</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	44,187	(8,998)	35,189
TOTAL FUNDS	<u>44,187</u>	<u>(8,998)</u>	<u>35,189</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	30,646	(39,644)	(8,998)
TOTAL FUNDS	<u>30,646</u>	<u>(39,644)</u>	<u>(8,998)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	44,187	12,592	56,779
TOTAL FUNDS	<u>44,187</u>	<u>12,592</u>	<u>56,779</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	74,324	(61,732)	12,592
TOTAL FUNDS	<u>74,324</u>	<u>(61,732)</u>	<u>12,592</u>

Second Chance Association

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

Second Chance Association

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	211	1,297
Other trading activities		
Room hire	479	721
Charitable activities		
Sales	30,078	16,397
Grants	12,910	12,231
	<hr/>	<hr/>
	42,988	28,628
Total incoming resources	43,678	30,646
EXPENDITURE		
Charitable activities		
Casual labour	2,765	2,681
Rates and water	659	2,443
Insurance	1,256	1,319
Light and heat	2,100	5,479
Postage and stationery	19	4
Sundries	241	248
Repairs and renewals	551	791
Rent	9,200	9,200
Cleaning	1,144	756
Fixtures and fittings	52	39
Grants to institutions	2,937	15,660
	<hr/>	<hr/>
	20,924	38,620
Support costs		
Finance		
Bank charges	180	100
Governance costs		
Accountancy and legal fees	984	924
	<hr/>	<hr/>
Total resources expended	22,088	39,644
Net income/(expenditure)	<hr/>	<hr/>
	21,590	(8,998)