

**CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company Number: 07667918

Charity Number: 1145291

CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Legal and Administrative Details	1
Directors' and Trustees' Report	2 - 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 - 23

**CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2021

Directors and Trustees	Rebecca Butler – Treasurer and Interim Chair (until 20 th January 2021) Robert Coe – Treasurer (appointed 20 th January 2021) Danny Unger Michael Gerrard Lauren Ambrose (resigned 5 th October 2021)
Secretary	Danny Unger
Registered Office	136 Kingsland High Street London E8 2NS
Company Number	07667918
Charity number	1145291

**CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their report including the financial statements of Circle Community Ltd (the "Charity") for the year ended 31 March 2021.

OBJECTIVES AND ACTIVITIES

The charity's objects (the "Objects") are specifically restricted to positively impacting the lives of those in need by reason of youth, age, disability, financial hardship or other disadvantage in any or all of the following ways:

- 1) The relief and support of those in need by reason of youth, age, disability, financial hardship or other disadvantage and their families and carers by;
 - a) Developing the skills, capabilities, confidence, mindset and self-discipline needed to secure life-changing, permanent employment
 - b) Providing professional and social development workshops, training programmes and general advice and support
- 2) To promote awareness of the issues affecting those in need by reason of youth, age, disability, financial hardship or other disadvantage, both generally and in relation to their social and workplace exclusion;
- 3) To promote social and workplace inclusion of those in need by reason of youth, age, disability, financial hardship or other disadvantage;
- 4) Advancing education and training for the public benefit, both generally and in relation to the social and workplace exclusion of those in need by reason of youth, age, disability, financial hardship or other disadvantage;
- 5) The relief of unemployment and other hardship for the public benefit;
- 6) Such other charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

Our charitable activities are based on meeting the above objects. The charity delivers public benefit through the provision of our 'Back Your Future', training programme which supports disadvantaged young people aged 16-30 to acquire and develop workplace skills, capabilities and the desire to secure and sustain permanent employment, education or training.

This is delivered through the following activities:

- Immediate, structured work experience (8 hours weekly) supported by our Retail Managers at one of the two streetwear clothing shops run by our sister social enterprise, Circle Collective.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Through this young people develop vital transferrable skills including team working, and customer relations and gain content examples for their CVs and future interviews.

- Workshops (minimum two per month) and one-to-one coaching on topics such as presentation skills, resilience building, and interacting with employers.
- Behind-the-scenes tours of real work environments, talking to employees in all areas of the business about their career journeys, and the opportunity for work placements via our committed corporate partners.
- Practical recruitment support (e.g. job searches, mock interviews) and one-to-one mentoring from our Job Coaches to help grow their confidence.
- Peer support opportunities, and the opportunity to learn from our Ambassadors, young people who have successfully gone through the programme and act as role models and mentors to the current cohort.

For those young people we support into jobs, once in work, we continue to help them through creating support plans with their employers and offering vital encouragement through weekly contact.

PUBLIC BENEFIT STATEMENT

When considering activities which contribute towards the charity's work, Trustees have regarded section 17(5) of the Charities Act 2011 in relation to its guidance on public benefit. Guidance has been considered at trustee meetings when planning programmes and activities for Circle Community over the course of the year.

STRUCTURE GOVERNANCE AND MANAGEMENT

The governing document is the Memorandum and Articles of association of the company incorporated on 16th June 2011 as amended by special resolution registered at Companies House on 28th December 2011.

New Trustees are appointed by the existing Trustees.

The Trustees delegate the day to day running of the charity to Ms Turly Humphreys and her remuneration is agreed by the Trustees.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

WHY OUR WORK IS NEEDED

"Before joining Circle I was lost and confused. I'd never worked before and would apply to almost 300 vacancies a month with no replies. Circle made me feel hopeful again. Circle is a brilliant learning environment..." *Z, aged 19, Wildlife Trust Trainee.*

Most of the young people we support are those who are considered furthest away from the labour market. They often have complex lives and face multiple barriers to employment, for example, they come from black and minority ethnic groups who have low labour market participation, have low or no qualifications, no work experience and they are experiencing mental ill health. They often need help in developing the appropriate attitudes, resilience and behaviours to cope with typical work patterns. These cohorts of young people often fall through the gaps of other youth employment programmes.

Whilst the labour market overall appears to be making a stronger recovery overall than anticipated as we emerge from lockdown, young people are still at the back of the queue for jobs. With their unemployment rates remaining higher for young people than for other age groups. Disproportionately impacted by the pandemic, young people are still struggling to secure meaningful employment and are set to bear the associated long-term consequences, including lower wages, inferior prospects, and poorer mental health.

"We believe that every young person who wants a job should be able to get one...and Circle is on a mission to make this happen." *Turly Humphreys, Circle Founder and CEO*

We have demonstrated that the right support can reduce these barriers to work for even for the most marginalised youth, supporting over 600 young people into work since 2015. We address the root causes of problems that are barriers to employment and start with basic needs; paying particular attention to mental well-being and making sure no one falls through the net. We guide young people through their journey into/towards employment. We provide them with advisors, advocates, role models, mentors, connectors, peer support and above all, a safe space.

ACHIEVEMENTS AND PERFORMANCE

For almost 9 months between April 2020 and March 2021, Circle Community delivered Back Your Future remotely. We had to close our two Circle Collective stores and furlough the retail staff employed by our social enterprise arm. The work experience young people enjoy in the stores, a key part of *Back Your Future*, was therefore very patchy.

During the first lockdown in spring 2020, we saw some young people who we had previously supported into jobs return to us as they had been made redundant or furloughed over older age groups. Alongside this cohort, we also supported a number of young people finishing college or school without completing exams, having any careers advice or employment support, or having the ceremony

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

of moving to the next stage in their life journey. All young people were experiencing high levels of isolation and anxiety, as well as uncertainty and confusion. We provided young people with a safe space and a sense of purpose and routine during those tumultuous times.

Our delivery model during this time included the following changes:

- one-to-one mentoring – these increased in frequency and length as young people needed more individualised support and attention. We also introduced additional wellbeing and safeguarding checks for each session.
- Wellbeing sessions – the duration, frequency and content of these sessions continually evolves based on young people's evaluations. In January 2021, in response to young people telling us they wanted more opportunities to interact with their peers, we started 'Wellbeing Wednesdays' via Zoom, facilitated 'open mic' sessions where young people had the opportunity to talk about how they were coping during lockdown and share some of their creative outputs, including poems and music.
- Corporate partner led events - our corporate partners were very supportive of us with many volunteers delivering an increased timetable of remote sessions via Zoom which received very positive evaluations from young people.
- Work placements – most of our employer partners had closed their workspaces during lockdowns so we paused the work placement plans we had put in place for young people until they were no longer working remotely.

New location and re-modelling of our Lewisham store and training centre



A major achievement this year was opening a relocated store and training centre. We took the decision not to re-open our old Lewisham space after the first lockdown in June 2020, instead focusing all our efforts in moving to a new location within Lewisham shopping centre – a much larger, better situated space which will enable Circle Collective to generate more retail income and deliver

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

more work experience whilst providing the charity with an improved training space from which to provide employability support to the increasing number of unemployed young people coming to us as a result of Covid-19. We opened the new space at the beginning of December 2020, only to have to close it again 10 days later for the remainder of the financial year due to Covid-19 lockdown measures.

This new location represents an exciting opportunity for us to recalibrate and expand our model. We are looking to test a broader community focused model, using the space to deliver events related to our brand, mission and purpose. This will include, for example, facilitated talks on local issues and workshops for mending, clothes exchanges and making. We are hoping to revitalise the shopping centre and public space as well as providing new revenue streams and new work experience opportunities for young people.

"The performance and social impact Circle had in this unprecedented period of time was hard fought and down to the passion and resilience of the team." External Social return on Investment Report 2020-21, University of Northampton

We are delighted with our progress in a year that has been entirely dominated by the Covid-19 pandemic. There were far fewer job vacancies to apply to, particularly for the types of roles that young people with little to no experience would enter into, such as retail or hospitality.

202 young people engaged with our Back Your Future employability programme (201 in 2019-20)

119 completed the programme (149 in 2019-20)

59 of those young people went into sustained employment. (84 in 2019-20)

CASE STORY

Alarna joined Circle in 2020 and has been a part of the training programme for a year. When she first joined us she was very quiet and anxious with very low self-esteem. She had experienced a troubled family upbringing, which resulted in her having a very poor diet, anxiety and severe eczema. It took Alarna a while to build up her trust in us and she was initially very quiet and withdrawn. Alarna says:

"I joined Circle after finishing my education and was looking for a job. I was unsure at first because I did not know anyone. I also joined during COVID, so things were a bit different. The staff are very friendly and supportive and willing to help in any way they can. The other people on the program as well, allowing me to meet new people who are experiencing the same situation and learn about them and their talents as well. Circle has given me the confidence to know what I would like to gain from a job. The experience from training and advice is given on how to prepare for the world of work, from

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

working on the shop floor to interview experience. I have come out of my shell a bit more since being at Circle and learned from any mistakes I made. I have learned a lot of new things that I can apply to my job and my life skills. Circle is a great place to come and learn, if you need help, support and even someone to listen to you. Thanks to everything that Circle has done alongside me, I was able to get a job after a successful interview. I have now joined the team at Circle Collective as a Sales Advisor, which I found through the Kickstart scheme. I am happy to work alongside an amazing team and share my knowledge with others. To be a part of this community and being a part of the charity has been a great opportunity and fun experience for me. I am happy that there is more to come."

Alarna has recently joined Circle Collective as a Customer Service Apprentice, our first apprenticeship.

Future plans

We know that young people need us more than ever. Since April 2021 when we were able to return to our physical premises, the number of young people signing up for our support is higher than any previous years pre-pandemic.

Over the next 12 months we plan to increase our staff capacity to cope with demand and adapt to young people's evolving needs. We want to ensure that we can provide the best possible opportunities to those young people coming to us who, due to the uncertain job market, are increasingly choosing to gain more education or training or work experience before seeking employment. We will take advantage of, and encourage our employer network to take advantage of, government programmes, including apprenticeships and Kickstart, which provides six-month work placement for young people at risk of long-term unemployment. We want to broaden our employer partnerships, including with sectors that offer potential opportunities for young people post Covid-19, for example, the green economy, online retail.

We also want to explore the potential role of self-employment in generating more opportunities for young people. Towards the end of 2019 we secured some funding to test and evaluate a new programme focusing on providing young people with the knowledge, skills and networks relevant to being self-employed or setting up a micro business – 'Navigating the Gig Economy'. Starting the programme has been long delayed due to Covid-19.

In the medium to long term, we want to further expand our geographical footprint and reach more young people across London. We are in discussion with two of our long-term corporate partners, LandSec and Canary Wharf Group, about using their properties as venues for future store/training centres and with local authorities adjacent to the two bases where we currently deliver our services.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

FUNDRAISING STATEMENT

We fundraise so that we can provide the services that deliver our charitable objectives and to deliver our mission that all young people that want a job are able to get one.

We have regard to the guidance provided by the Fundraising Regulator, and we actively support the Code of Fundraising Practice. We promise to be open, honest, clear, respectful, fair, reasonable and accountable.

Our warmest thanks go to everyone who has supported Circle Community this year. We are so grateful for the support of our wonderful corporate volunteers and companies who have provided us with hundreds of hours of pro bono support including mentoring, workshops and career experiences and other in-kind donations.

In particular we would like to highlight the support of our corporate partners, in particular Landsec, who are also our landlords in Lewisham shopping centre, and supported us to move to our bigger and better retail and training space, UBS, Fitch Ratings and NHS properties.

We would also like to thank grant giving organisations who supported us in 2020-21 including BBC Children in Need/Youth Futures Foundation, London Community Response Fund, National Lottery Community Fund, Paddington Development Trust, Peter Cruddas Foundation, The Drapers' Company, The Evening Standard's Dispossessed Fund, The Skinners' Company Lawrence Atwell's Charity, United Way & The Fore

FINANCIAL REVIEW AND RESERVES POLICY

Circle Community's principal sources of funds are grant giving organisations, statutory contracts and corporate donations, with a small amount of income received through individual donations.

Income for the year was £369,304 (2020: £324,048) and expenditure was £321,382 (2020: £283,465) giving us a surplus for the year of £47,922 (2020: surplus of £40,583).

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charities Commission and produced a reserves policy which requires reserves to be developed to a reasonable level to ensure the charity can run efficiently and ensure the continuation of core activities during a period of unforeseen difficulty.

The target value of these free reserves should be a minimum of three months of core operating costs and a maximum of three months of worth of total costs. Our reserves should be maintained in a realisable form – a bank account without access restrictions. For 2020/21 this amount is calculated as minimum £62,252 and maximum £80,346.

**CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

At 31 March 2021, our total free reserves were £49,798, outside of our target boundaries. We keep at least £10,000 of our reserves in a dedicated interest-bearing bank account held at Charity Bank.

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Trustees (who are also directors of Circle Community Ltd for the purposes of company law) are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's finances.

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statements of Recommended of Recommended Practise;
- 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 Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

APPROVED BY THE BOARD OF DIRECTORS AND SIGNED ON ITS BEHALF BY



Robert Coe

Treasurer

Date 22 March 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CIRCLE COMMUNITY LTD

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

Anthony Epton

Anthony Epton BA, FCA, CTA, FCIE

Date: 23 March 2022

Goldwins Limited

Chartered Accountants

75 Maygrove Road

West Hampstead

London NW6 2EG

Circle Community Ltd
Statement of financial activities
(incorporating an income and expenditure account)
For the year ended 31 March 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds as restated 2020 £
	Note				
Income from:					
Donations	2	86,616	259,366	345,982	304,005
Charitable activities	3	4,540	18,666	23,206	20,000
Investment income	4	116	-	116	43
Total income		91,272	278,032	369,304	324,048
Expenditure on:					
Raising funds		20,794	11,252	32,046	25,083
Charitable activities		45,380	243,956	289,336	258,382
Total expenditure	5	66,174	255,208	321,382	283,465
Net income for the year	6	25,098	22,824	47,922	40,583
Transfers between funds		-	-	-	-
Net movement in funds		25,098	22,824	47,922	40,583
Reconciliation of funds:					
Funds brought forward as previously reported		49,385	61,376	110,761	45,493
Prior year adjustment	15	(24,685)	-	(24,685)	-
Funds brought forward as restated		24,700	61,376	86,076	45,493
Total funds carried forward	13	49,798	84,200	133,998	86,076

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

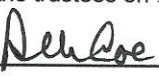
Circle Community Ltd

Balance sheet

As at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	9		2,130		2,601
Current assets:					
Debtors	10	21,415		41,125	
Cash at bank and in hand		<u>140,602</u>		<u>106,007</u>	
		162,017		147,132	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(30,149)</u>		<u>(63,657)</u>	
Net current assets			<u>131,868</u>		<u>83,475</u>
Total net assets			<u>133,998</u>		<u>86,076</u>
Funds	13				
Restricted funds			84,200		61,376
Unrestricted funds:					
General funds		<u>49,798</u>		<u>24,700</u>	
Total unrestricted funds			<u>49,798</u>		<u>24,700</u>
Total funds			<u>133,998</u>		<u>86,076</u>

Approved by the trustees on22 March 2022.....and signed on their behalf by:



 Robert Coe

Treasurer

Company registration no. 07667918

The attached notes form part of the financial statements.

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

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

b) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and governance costs which support the Trust's charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

i) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~	Fixtures and fittings	straight line basis over 5 years
~	Computer equipment	straight line basis over 3 years

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n) Pensions

The charity operates a defined contribution pension scheme under auto-enrolment.

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

2 Income from donations and grants

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Donations, fundraising and small grants	3,507	-	3,507	12,355
BBC Children in Need	-	31,720	31,720	-
Ben Ogden Memorial Fund	-	-	-	2,371
Drapers Charitable Fund	-	7,500	7,500	-
ESF EQUIP Community Grant	-	-	-	8,967
Fitch Ratings	2,000	-	2,000	-
Garfield Weston Foundation	-	-	-	50,000
Greater London Authority	-	59,323	59,323	59,323
Hackney Council Main Grant	-	-	-	19,645
Inner London Magistrate's Poor Box	-	-	-	10,000
Landsec	28,873	-	28,873	21,645
The London Community Foundation	-	10,000	10,000	8,545
London Community Response	-	11,765	11,765	-
Paddington Development Trust	-	25,592	25,592	-
Paul Hamlyn Foundation	-	-	-	30,000
Peter Cruddas Foundation	15,000	-	15,000	-
Sage Foundation	-	-	-	12,817
St James Place Charitable Foundation	-	-	-	10,000
Tabhair Charitable Trust	-	-	-	5,000
The Evening Standard's Dispossessed Fund	-	-	-	10,000
The Fore	5,000	-	5,000	-
The National Lottery Community Fund	-	113,232	113,232	50,192
The Skinners' Company Lawrence Atwell's	10,000	-	10,000	10,000
The Society Foundation	-	234	234	1,140
UBS	10,000	-	10,000	-
United Way	6,800	-	6,800	4,800
Woodward Charitable Trust	-	-	-	1,890
Coronavirus Job Retention Scheme	5,436	-	5,436	-
Prior year adjustment	-	-	-	(24,685)
	86,616	259,366	345,982	304,005

3 Charitable activities

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Earned income: Training contracts	3,820	18,666	22,486	20,000
Miscellaneous	720	-	720	-
	4,540	18,666	23,206	20,000

4 Income from investments

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Bank interest	116	-	116	43
	116	-	116	43

5 Analysis of expenditure

	Cost of raising funds £	Charitable activities £	Support costs £	Governance Costs £	Total 2021 £	Total 2020 £
Staff costs	-	199,497	17,086	-	216,583	218,365
Other staff costs	-	2,160	-	-	2,160	2,569
Staff, Volunteer & Young Peoples travel	-	1,514	-	-	1,514	4,397
Training costs	-	2,430	-	-	2,430	2,071
Intern placement fees	-	-	-	-	-	2,400
Coaching fees	-	2,800	-	-	2,800	3,840
Room hire and other direct costs	-	245	-	-	245	2,088
Advertising and promotion	-	2,294	-	-	2,294	449
Evaluation	-	1,800	-	-	1,800	1,800
Grants paid to Circle Sports C.I.C.	-	17,933	-	-	17,933	-
Fundraising costs	32,046	-	-	-	32,046	25,083
Office Refurbishment - Lewisham	-	-	8,478	-	8,478	-
Rent, rates, utilities and other premises costs	-	-	6,150	-	6,150	9,111
Office supplies	-	-	2,570	-	2,570	2,041
Communications and IT	-	-	7,635	-	7,635	1,583
Insurance	-	-	688	-	688	662
Bank charges and other finance costs	-	-	1,873	-	1,873	949
Accountancy fees	-	-	6,685	-	6,685	7,621
Independent examination fee	-	-	-	3,840	3,840	650
Other legal and professional fees	-	-	900	-	900	847
Membership and subscriptions	-	-	1,413	-	1,413	931
Trustee expenses	-	-	-	-	-	58
Depreciation	-	-	1,345	-	1,345	1,300
Loan interest	-	-	-	-	-	(5,350)
	32,046	230,673	54,823	3,840	321,382	283,465
Support costs	-	54,823	(54,823)	-	-	-
Governance costs	-	3,840	-	(3,840)	-	-
Total expenditure 2021	32,046	289,336	-	-	321,382	
Total expenditure 2020	25,083	258,382	-	-		283,465

Of the total expenditure £255,208 was restricted (2020: £257,507) and £66,174 was unrestricted (2020: £25,958).

Circle Community Ltd**Notes to the financial statements****For the year ended 31 March 2021**

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation	1,345	1,300
Interest payable	-	(5,350)
Operating lease rentals: Property	1,896	1,543
Independent Examiners' remuneration	3,840	650
	<u>3,840</u>	<u>650</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	194,915	196,750
Social security costs	15,848	16,908
Employer's contribution to defined contribution pension schemes	5,820	4,707
	<u>216,583</u>	<u>218,365</u>

None of the employees received employee benefits in excess of 60,000 during the year between (2020: 0).

The total employee benefits including pension contributions of the key management personnel were £139,803 (2020: £133,931).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 7 (2020: 7).

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

9 Tangible fixed assets

	Fixtures, Fittings and Equipment £	Total £
Cost		
At the start of the year	5,545	5,545
Additions in year	874	874
Disposals in year	-	-
At the end of the year	<u>6,419</u>	<u>6,419</u>
Depreciation		
At the start of the year	2,944	2,944
Charge for the year	1,345	1,345
At the end of the year	<u>4,289</u>	<u>4,289</u>
Net book value		
At the end of the year	<u>2,130</u>	<u>2,130</u>
At the start of the year	<u>2,601</u>	<u>2,601</u>

All of the above assets are used for charitable purposes.

10 Debtors

	2021 £	2020 £
Prepayments and accrued income	-	2,931
Intercompany debtor - Circle Sports CIC	21,415	38,194
	<u>21,415</u>	<u>41,125</u>

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	1,273
Taxation and social security	18,614	36,108
Other creditors	4,379	25,626
Accruals	7,156	650
	<u>30,149</u>	<u>63,657</u>

12 Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,496	634	2,130
Net current assets	48,302	83,566	131,868
Net assets at the end of the year	<u>49,798</u>	<u>84,200</u>	<u>133,998</u>

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

13 Movements in funds

	At the start of the year £	Income and gains £	Expenses and losses £	Transfers £	At the end of the year £
Restricted funds:					
Back Your Future	50,557	266,143	(252,444)	-	64,256
Navigating the Gig Economy	10,049	11,655	(2,394)	-	19,310
Fixed Assets	770	234	(370)	-	634
Total restricted funds	61,376	278,032	(255,208)	-	84,200
Unrestricted funds:					
General funds	24,700	91,272	(66,174)	-	49,798
Total unrestricted funds	24,700	91,272	(66,174)	-	49,798
Total funds	86,076	369,304	(321,382)	-	133,998

Purposes of restricted funds

Back Your Future (previously known as Get Employed) programme is our main area of work and is funded by various funders including the Young Londoners Fund and Reaching Communities from The National Lottery Community Fund.

Navigating the Gig Economy is a programme which is funded by the Young Londoners Fund.

The restricted fund for **Fixed Assets** represents a grant received for the purchase of equipment which is being depreciated as per our depreciation policy.

14 Analysis of cash and cash equivalents

	At the start of the year £	Cash flows £	Other changes £	At the end of the year
Cash at bank and in hand	106,007	34,595	-	140,602
Total cash and cash equivalents	106,007	34,595	-	140,602

15 Prior year adjustment

Prior year adjustment relates to a loan received by the charity last year but was incorrectly treated as income.

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

16 Operating lease commitments

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

	Property 2021 £	Property 2020 £
Less than 1 year	5,056	5,056
1 - 5 years	8,848	13,904
	<u>13,904</u>	<u>18,960</u>

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £10 in the event of the charity being wound up.

18 Related party transactions

Circle Sports CIC is the trading element of the charity which is a commercial shop used to generate funds and also train our beneficiaries. Mr D Unger, a trustee of the charity, and Ms T Humphreys, part of the key management personnel of the charity, are directors of Circle Sports CIC. There is an intercompany loan between the charity and Circle Sports CIC. At the balance sheet date the amount due from Circle Sports CIC was £21,415 (2020: 38,194).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

19 Previous reporting period information

19a Detailed comparatives for the statement of financial activities

	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
Income from:			
Grants, donations and legacies	6,970	297,035	304,005
Charitable activities	20,000	-	20,000
Investments	43	-	43
Total income	27,013	297,035	324,048
Expenditure on:			
Raising funds	25,083	-	25,083
Charitable activities	875	257,507	258,382
Total expenditure	25,958	257,507	283,465
Net income / (expenditure) for the year	1,055	39,528	40,583
Transfers between funds	-	-	-
Net movement in funds	1,055	39,528	40,583
Reconciliation of funds:			
Total funds brought forward	23,645	21,848	45,493
Total funds carried forward	24,700	61,376	86,076

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

19b Analysis of expenditure of previous reporting period

	Cost of raising funds £	Charitable activities £	Support costs £	Governance Costs £	Total 2020 £
Staff costs	-	132,787	85,578	-	218,365
Other staff costs	-	2,569	-	-	2,569
Staff, Volunteer & Young Peoples travel	-	4,397	-	-	4,397
Training costs	-	2,071	-	-	2,071
Intern placement fees	-	2,400	-	-	2,400
Coaching fees	-	3,840	-	-	3,840
Room hire and other direct costs	-	2,088	-	-	2,088
Advertising and promotion	-	449	-	-	449
Evaluation	-	1,800	-	-	1,800
Fundraising costs	25,083	-	-	-	25,083
Rent, rates, utilities and other premises	-	-	9,111	-	9,111
Office supplies	-	-	2,041	-	2,041
Communications and IT	-	-	1,583	-	1,583
Insurance	-	-	662	-	662
Bank charges and other finance costs	-	-	949	-	949
Accountancy fees	-	-	7,621	-	7,621
Independent examination fee	-	-	-	650	650
Other legal and professional fees	-	-	847	-	847
Membership and subscriptions	-	-	931	-	931
Trustee expenses	-	-	58	-	58
Depreciation	-	-	1,300	-	1,300
Loan interest	-	-	(5,350)	-	(5,350)
	25,083	152,401	105,331	650	283,465
Support costs	-	105,331	(105,331)	-	-
Governance costs	-	650	-	(650)	-
Total expenditure 2020	25,083	258,382	-	-	283,465

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2021

19c Analysis of net assets between funds of previous reporting period

	General unrestricted	Restricted	Total funds
	£	£	£
Tangible fixed assets	1,831	770	2,601
Net current assets	22,869	60,606	83,475
Net assets at the end of the year	24,700	61,376	86,076

19d Movements in funds for the previous reporting period

	At the start of the year £	Income and gains £	Expenses and losses £	Transfers £	At the end of the year £
Restricted funds:					
Back Your Future	21,848	284,241	(255,532)	-	50,557
Navigating the Gig Economy	-	11,654	(1,605)	-	10,049
Fixed Assets	-	1,140	(370)	-	770
Total restricted funds	21,848	297,035	(257,507)	-	61,376
Unrestricted funds:					
General funds	23,645	27,013	(25,958)	-	24,700
Total unrestricted funds	23,645	27,013	(25,958)	-	24,700
Total funds	45,493	324,048	(283,465)	-	86,076