



(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Company Number: **07667918**

Charity Number: **1145291**

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

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2023

Directors and Trustees	John Montague – Chair
	Robert Coe – Treasurer
	Rebecca Butler
	Danny Unger
	Michael Gerrard
	Carlos Moreno
	Denis Denisov
	Natalie Adubofour

Secretary	Danny Unger
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Registered Office	136 Kingsland High Street London E8 2NS
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Company Number	07667918
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Charity number	1145291
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**CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees are pleased to present their report including the financial statements of Circle Community Ltd (the "Charity") for the year ended 31 March 2023.

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.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

This is delivered through the following activities:

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



TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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.

WHY OUR WORK IS NEEDED

The Circle Collective team is ideal for individuals who lack confidence and require a support system they may not be receiving. Being unemployed can have a significant impact on someone not only physically but emotionally. Joining Circle Collective provides support to the unemployed and encourages them to continue trying and provides lots of opportunities. Thank you to everyone at Circle, I would encourage others to join! Joining Circle Collective has given me a huge amount of support to encourage me to keep on applying for jobs. I thank the team for the moral and professional support given.

M, aged 18, Retail Team Member

**Circle Collective refers to the Circle Community and our social enterprise CIC*

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, many 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.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The labour market overall has broadly remained unchanged, with the national unemployment rate increasing from 3.8% in March 2022 to 3.9% in March 2023. However, unemployment rates continue to remain disproportionately higher for young people with 10.4% of 18–24-year-olds unemployed in March 2023 vs 9.1% a year earlier. 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 850+ 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

During the financial year 2020/21, at the height of the Covid 19 pandemic, we saw a decrease in performance and outcomes for our core Back Your Future employability programme as we were all under the government's lockdown restrictions and the economy had slowed down to a crawl. In 2021/22 we saw a huge bounce back in the economy with our highest level of recorded outcomes and performance levels as the economy re-opened and roles were created for young people via the Kickstart scheme with a disproportionately large amount of unemployed young people in the labour market desperate for support to gain employment.

For the year 2022/23 we have seen these two swing years start to even out and start to return to pre-Covid levels, albeit with our improved service achieving a steadily higher number of outcomes than 2019. New aspects to the programme such as additional wellbeing and navigating the gig economy sessions have improved our service, alongside monthly feedback sessions that capture young people's opinion which feeds into our delivery model. With the recent opening of our new Canary Wharf store, we will see the increase a third site and additional staff will bring to our outcomes.

A high percentage of the young people we supported were still experiencing high levels of isolation and anxiety, directly linked to their experience in the pandemic, and we provided young people with a safe space and a sense of purpose and routine during those tumultuous times.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Our Back Your Future delivery model included the following:

- One-to-one mentoring – in person where it is easier to build a relationship and trust which is an essential element to the Job Coach role.
- Wellbeing sessions – the duration, frequency and content of these sessions continually evolves based on young people's evaluations. In this period, we doubled the amount of wellbeing sessions on offer to our young people and utilised group meditation sessions wearing eye masks and our Wellbeing coach being there to support.
- Corporate partner led events – Our corporates have seen the shift from exclusively working from home move closer to a split hybrid model which has enabled us to return to our in person corporate events with Sage in the Shard, Canary Wharf Group in Canada Square and Landsec in Cardinal Place.
- Work placements – this supports young people with confidence and anxiety issues, those who are isolated and do not communicate outside of their peer groups and those that have not had any previous paid or voluntary work experience.

NEW LOCATION IN CANARY WHARF



A major achievement this year was opening a brand-new site in the heart of Canary Wharf accommodating the Circle Collective streetwear, vintage and skate store and a large training centre

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

behind this. We have spent several years working towards this goal with Canary Wharf Group, hampered by the lockdowns of Covid and the slow return to normal of footfall within Canary Wharf.

The Wharf has seen footfall return to normal and now exceed 2019 levels by over 20%, with many now viewing Canary Wharf as a shopping destination, rather than just a shopping area for the office workers. The site is equal to the size of our Lewisham site and situated in a fantastic area for passing trade which will support the CIC mission to pass sales revenue back to the charity.



This new location represents an exciting opportunity for us to recalibrate and expand our model. We are looking to evaluate a broader corporate focused programme, using the space to showcase our model to potential partners within this area of highly concentrated wealth. This will draw down funding, employment opportunities across a wide variety of sectors and corporate volunteering, which will support us to increase the number of young people finding work and at a faster rate, bringing down our delivery unit costs.

OUTPUTS AND OUTCOMES

249 young people engaged with our Back Your Future employability programme.

199 completed the programme.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

154 of those young people gained an outcome with 111 going into sustained employment and 43 into higher education or training.

CASE STORY

M

Junior Software Developer @ Leathe

Before coming to Circle Collective, I was looking for a job in software development. By that time, I had gone through many applications and rejections, so I was feeling dejected. One day, at the Job Centre, my work coach introduced me to someone from Circle Collective. They explained what the charity does and how it helps people into employment; I must admit I was terrified to enrol because I was fearful of interacting with new people. But I enrolled anyways and I'm glad I did.

There was a mix of work experience, workshops, career fairs, and corporate insight days. I first started on the shop floor, then as an IT support, and then as an admin support. I learned to do all the activities associated with each role. I also met many Circle retail employees during my time and thoroughly enjoyed working with them. One of my barriers to applying for a job in which I have no experience is that I have no experience. Circle helped me with this. They helped me find jobs to apply for and supported with the applications. They made sure that I was put forward for any opportunities with Circle and always encouraged and supported me to keep going.

I had an interview for a receptionist role and my job coach made sure to practice interview questions with me beforehand and gave me guidance especially when it came to body language, eye contact and smiling which I sometimes struggled with as it doesn't come to me so naturally. She even came with us to attend the recruitment day and it helped me feel less nervous.

Circle hosted workshops about confidence, interview practice, well-being, the gig economy and more. All were extremely helpful and engaging. I remember when I attended my first workshop, I was like a fish out of water, nervous and wanting to retreat to safety. But my job coach was understanding and helped me feel comfortable. I attended corporate insight days with Circle. We visited Sage and NHS properties offices, where the employees gave us insight into what the company does, what it's like to work there, how to improve our chances with job applications, and any open vacancies. I even had a mock interview with a manager at Sage who gave me helpful feedback and invited to apply for one of their graduate roles.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

I am now working as a Junior Software Developer for Loathe and I am excited to get my foot in and start on my career journey. I am thankful for all the support and encouragement from everyone at Circle Collective.

FUTURE PLANS

We are keen to further expand our geographical footprint and reach more young people across London with a fourth retail and delivery space in 2023/24.

We are in discussion with our long-term corporate partners, Landsec regarding new venues and are exploring the opportunities they present.

Over the next 12 months we plan to increase our staff capacity, as we physically expand, and 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.

We want to broaden our employer partnerships and managing the relationships with corporates so that create a constant pipeline of vacancies and opportunities for our young people to have exclusive access to.

PARTERSHIP FEEDBACK

Circle Collective and Landsec have been partners in Lewisham for the last 8 years. Over this long-standing relationship, we have been proud to work with a truly impactful partner where we have achieved mutually beneficial outcomes for young people in the local community, along with positive impact for our business, employees and supply chain. Our partnership has delivered employment outcomes for local young people, with Circle Collective based in Lewisham Shopping Centre since 2017. This has allowed us to directly and consistently engage young people, supporting them to reach their full potential through confidence building, training and job outcomes with Landsec, our contractors and brand partners. Together, we have supported +550 young people since beginning of 2017. Other highlights of our partnership include Circle Collective supporting with pastoral care for candidates doing Landsec placements on the government's Kickstart programme and most recently our new internship scheme. We also worked together on a consultation programme that gave local young people a voice on the future of Lewisham Shopping Centre. Beyond this, Circle Collective have been proactive in finding engagement opportunities for our employees to develop their skills, advocacy opportunities about our partnership, and support for our local authority relationships. Circle Collective are a fantastic

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FOR THE YEAR ENDED 31 MARCH 2023

partner for many reasons, which the length of our partnership is testament to. They understand impact, both from a community and business perspective, making sure they develop and deliver programmes that benefit everyone involved. They are a purpose driven, motivated and passionate team, who are a pleasure to work with. We have been delighted to recently confirm a new three-year partnership with Circle Collective, and we would highly recommend working with them to any business looking to have a meaningful impact in their local community, with impact brought back into their organisation too.

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.

We would like to highlight the support of our corporate partners, in particular Landsec, who are also our landlords in Lewisham shopping centre, and who continue to support us, Canary Wharf Group, who are our new landlords at Canary Wharf and are providing us with much other pro bono support, Barclays for their donation of computer equipment and furniture and also our new partnership in East London with UBS.

We would also like to thank grant giving organisations who supported us in 2022-23 including BBC Children in Need, Youth Futures Foundation, Charities Aid Foundation, Henry Smith Charity, National Lottery Community Fund, The Drapers' Company, The Skinners' Company Lawrence Atwell's Charity, The Salters Charitable Foundation, East End Community Fund, Isle of Dogs Community Chest, and Tower Hamlets Tackling Poverty Fund.

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 £451,093 (2022: £465,853) and expenditure was £486,555 (2022: £441,839) giving us a deficit for the year of £35,462 (2022: surplus of £24,014).

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FOR THE YEAR ENDED 31 MARCH 2023

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 total costs. Our reserves should be maintained in a realisable form – a bank account without access restrictions. For 2022/23 this amount is calculated as minimum £82,697 and maximum £121,639.

At 31 March 2023, our total free reserves were £100,680. 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

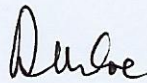
CIRCLE COMMUNITY LTD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

Robert Coe



Treasurer

Date

18/7/23

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 2023.

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 BA, FCA, CTA, FCIE

Goldwins Limited

Chartered Accountants

75 Maygrove Road

West Hampstead

London NW6 2EG

20 July 2023

Circle Community Ltd
Statement of financial activities
(incorporating an income and expenditure account)
For the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations	2	69,370	351,162	420,532	373,715
Charitable activities	3	30,445	-	30,445	92,102
Investment income	4	116	-	116	36
Total income		99,931	351,162	451,093	465,853
Expenditure on:					
Raising funds		27,798	-	27,798	26,312
Charitable activities		101,941	356,816	458,757	415,528
Total expenditure	5	129,739	356,816	486,555	441,840
Net (expenditure)/income for the year	6	(29,808)	(5,654)	(35,462)	24,013
Transfers between funds		-	-	-	-
Net movement in funds		(29,808)	(5,654)	(35,462)	24,013
Reconciliation of funds:					
Funds brought forward		130,488	27,523	158,011	133,998
Total funds carried forward	13	100,680	21,869	122,549	158,011

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 2023

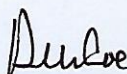
	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets:					
Tangible assets	9		363		1,008
Current assets:					
Debtors	10	49,676		54,107	
Cash at bank and in hand		<u>205,903</u>		<u>284,858</u>	
		255,579		338,965	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(133,393)</u>		<u>(181,962)</u>	
Net current assets			<u>122,186</u>		<u>157,003</u>
Total net assets			<u>122,549</u>		<u>158,011</u>
Funds	13				
Restricted funds			21,869		27,523
Unrestricted funds:					
General funds		<u>100,680</u>		<u>130,488</u>	
Total unrestricted funds			<u>100,680</u>		<u>130,488</u>
Total funds			<u>122,549</u>		<u>158,011</u>

For the financial year ended 31 March 2023, the Charitable Company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

Approved by the trustees on 18/7/23 and signed on their behalf by:



Robert Coe
Trustee

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 2023

2 Income from donations and grants

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Donations, fundraising and small grants	4,871	-	4,871	6,395
BBC Children in Need	-	9,919	9,919	21,802
Charities Aid Foundation	-	94,394	94,394	29,880
Connected Futures	-	18,900	18,900	-
Drapers Charitable Fund	-	5,625	5,625	1,875
Department for Work and Pensions	-	-	-	47,500
East End Community Fund	-	35,000	35,000	-
Greater London Authority Young People's Fund	-	-	-	34,790
Henry Smith Charity	40,000	-	40,000	26,667
HitClubUK	-	9,437	9,437	-
Landsec	-	-	-	20,000
Lawence Atwell	10,000	-	10,000	-
LB Lewisham	9,999	27,413	37,412	52,233
LB Tower Hamlets	-	8,000	8,000	16,333
London Stock Exchange Group Foundation	-	-	-	15,000
National Lottery Community Fund Reaching Communities	-	87,605	87,605	71,862
Paddington Development Trust	-	-	-	4,878
Peter Cruddas Foundation	-	-	-	2,000
Salters Charitable Foundation	-	2,500	2,500	2,500
The London Community Foundation	-	-	-	10,000
The Skinners' Company Lawrence Atwell's Charity	-	-	-	10,000
UBS	-	17,086	17,086	-
United Way	4,500	-	4,500	-
YLF Hackney - Gig Economy	-	35,283	35,283	-
	69,370	351,162	420,532	373,715

3 Charitable activities

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Earned income: Training contracts	30,445	-	30,445	92,102
	30,445	-	30,445	92,102

4 Income from investments

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Bank interest	116	-	116	36
	116	-	116	36

5 Analysis of expenditure

	Cost of raising funds £	Charitable activities £	Support costs £	Governance Costs £	Total 2023 £	Total 2022 £
Staff costs	-	229,386	56,347	-	285,733	273,810
Other staff costs	-	711	1,562	-	2,273	3,220
Staff, Volunteer & Young Peoples travel	-	715	200	-	915	895
Training costs	-	5,000	1,454	-	6,454	747
Coaching fees	-	13,174	-	-	13,174	15,715
Room hire and other direct costs	-	5,556	194	-	5,750	4,080
Advertising and promotion	-	1,408	214	-	1,622	9,406
Evaluation	-	-	1,800	-	1,800	1,800
Grants paid to Circle Sports C.I.C.	-	40,686	57,156	-	97,842	60,041
Fundraising costs	27,798	-	-	-	27,798	26,312
Rent, rates, utilities and other premises costs	-	-	19,672	-	19,672	16,860
Office supplies	-	2,087	1,047	-	3,134	4,191
Communications and IT	-	-	12,169	-	12,169	5,279
Insurance	-	-	773	-	773	713
Bank charges and other finance costs	-	-	527	-	527	845
Accountancy fees	-	-	13	-	13	5,570
Independent examination fee	-	-	-	3,840	3,840	3,840
Other legal and professional fees	-	1,470	-	-	1,470	6,540
Membership and subscriptions	-	-	369	-	369	792
Trustee expenses	-	278	304	-	582	62
Depreciation	-	-	645	-	645	1,122
	27,798	300,471	154,446	3,840	486,555	441,840
Support costs	-	154,446	(154,446)	-	-	-
Governance costs	-	3,840	-	(3,840)	-	-
Total expenditure 2023	27,798	458,757	-	-	486,555	
Total expenditure 2022	26,312	415,528	-	-		441,840

Of the total expenditure £356,816 was restricted (2022: £319,135) and £129,739 was unrestricted (2022: £122,705).

Core Operating costs were £330,788 (2022: £313,823)

Circle Community Ltd**Notes to the financial statements****For the year ended 31 March 2023**

6 Net income / (expenditure) for the year

This is stated after charging:	2023	2022
	£	£
Depreciation	645	1,122
Operating lease rentals: Property	2,528	2,528
Independent Examiner's remuneration	3,200	3,200
	<u>3,200</u>	<u>3,200</u>

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

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	250,296	242,098
Social security costs	21,376	19,382
Employer's contribution to defined contribution pension schemes	14,061	12,330
	<u>285,733</u>	<u>273,810</u>

The following number of employees received employee benefits (excluding employer's pension contributions) during the year between:

	2023	2022
	£	£
£60,000 - £69,999	1	-

The total employee benefits of the key management personnel (including employer's pension and national insurance contributions) were £199,589 (2022: £159,261).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). One trustee was reimbursed travelling expenses of £582 (2022: £62). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 22 (2022: 16).

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 2023

9 Tangible fixed assets

	Fixtures, Fittings and Equipment £	Total £
Cost		
At the start of the year	6,419	6,419
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>6,419</u>	<u>6,419</u>
Depreciation		
At the start of the year	5,411	5,411
Charge for the year	645	645
At the end of the year	<u>6,056</u>	<u>6,056</u>
Net book value		
At the end of the year	<u>363</u>	<u>363</u>
At the start of the year	<u>1,008</u>	<u>1,008</u>

All of the above assets are used for charitable purposes.

10 Debtors

	2023 £	2022 £
Donations and grants receivable	29,918	33,407
Intercompany debtor - Circle Sports CIC	19,758	20,700
	<u>49,676</u>	<u>54,107</u>

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	14,604	2,504
Deferred income	112,946	173,737
Other creditors	2,003	1,881
Accruals	3,840	3,840
	<u>133,393</u>	<u>181,962</u>

12 Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	363	-	363
Net current assets	100,317	21,869	122,186
Net assets at the end of the year	<u>100,680</u>	<u>21,869</u>	<u>122,549</u>

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2023

13 Movements in funds

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
Restricted funds:					
Back Your Future	27,263	315,878	(323,630)	-	19,511
Navigating the Gig Economy	-	35,284	(32,926)	-	2,358
Fixed Assets	260	-	(260)	-	-
Total restricted funds	27,523	351,162	(356,816)	-	21,869
Unrestricted funds:					
General funds	130,488	99,931	(129,739)	-	100,680
Total unrestricted funds	130,488	99,931	(129,739)	-	100,680
Total funds	158,011	451,093	(486,555)	-	122,549

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.

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	284,858	(78,955)	-	205,903
Total cash and cash equivalents	284,858	(78,955)	-	205,903

15 Operating lease commitments

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

	Property 2023 £	Property 2022 £
Less than 1 year	7,934	5,056
1 - 5 years	26,637	3,792
	34,571	8,848

16 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.

17 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 £19,758 (2022: £20,700).

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2023

18 Previous reporting period information

18a Detailed comparatives for the statement of financial activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income from:			
Donations	111,257	262,458	373,715
Charitable activities	92,102	-	92,102
Investment income	36	-	36
Total income	203,395	262,458	465,853
Expenditure on:			
Raising funds	15,060	11,252	26,312
Charitable activities	107,645	307,883	415,528
Total expenditure	122,705	319,135	441,840
Net income/(expenditure) for the year	80,690	(56,677)	24,013
Transfers between funds	-	-	-
Net movement in funds	80,690	(56,677)	24,013
Reconciliation of funds:			
Funds brought forward	49,798	84,200	133,998
Total funds carried forward	130,488	27,523	158,011

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2023

18b Analysis of expenditure of previous reporting period

	Cost of raising funds £	Charitable activities £	Support costs £	Governance Costs £	Total 2022 £
Staff costs	-	147,403	126,407	-	273,810
Other staff costs	-	-	3,220	-	3,220
Staff, Volunteer & Young Peoples travel	-	895	-	-	895
Training costs	-	747	-	-	747
Coaching fees	-	15,715	-	-	15,715
Room hire and other direct costs	-	4,080	-	-	4,080
Advertising and promotion	-	9,406	-	-	9,406
Evaluation	-	1,800	-	-	1,800
Grants paid to Circle Sports C.I.C.	-	60,041	-	-	60,041
Fundraising costs	26,312	-	-	-	26,312
Rent, rates, utilities and other premises	-	-	16,860	-	16,860
Office supplies	-	-	4,191	-	4,191
Communications and IT	-	-	5,279	-	5,279
Insurance	-	-	713	-	713
Bank charges and other finance costs	-	-	845	-	845
Accountancy fees	-	-	5,570	-	5,570
Independent examination fee	-	-	-	3,840	3,840
Other legal and professional fees	-	-	6,540	-	6,540
Membership and subscriptions	-	-	792	-	792
Trustee expenses	-	-	62	-	62
Depreciation	-	-	1,122	-	1,122
	26,312	240,087	171,601	3,840	441,840
Support costs	-	171,601	(171,601)	-	-
Governance costs	-	3,840	-	(3,840)	-
Total expenditure 2022	26,312	415,528	-	-	441,840

Circle Community Ltd
Notes to the financial statements
For the year ended 31 March 2023

18c Analysis of net assets between funds of previous reporting period

	General unrestricted	Restricted	Total funds
	£	£	£
Tangible fixed assets	374	634	1,008
Net current assets	130,114	26,889	157,003
Net assets at the end of the year	130,488	27,523	158,011

18d 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	64,256	257,458	(294,451)	-	27,263
Navigating the Gig Economy	19,310	5,000	(24,310)	-	-
Fixed Assets	634	-	(374)	-	260
Total restricted funds	84,200	262,458	(319,135)	-	27,523
Unrestricted funds:					
General funds	49,798	203,395	(122,705)	-	130,488
Total unrestricted funds	49,798	203,395	(122,705)	-	130,488
Total funds	133,998	465,853	(441,840)	-	158,011