



(A company limited by guarantee)

Annual Report

For the Year Ended 31st December 2020

Company registration number: 07415399

Charity registration number: 1151868

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Report of the Trustees for the year ending 31 December 2020

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OUR AIMS AND OBJECTIVES

Purpose and Aims

Our charity's purposes as set out in the objects contained in the company's Memorandum of Articles and Association are:

- The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment.
- The advancement of education by way of developing individual capabilities, competences, skills and understanding to enable them to participate in society as independent, mature and responsible individuals; including the provision of preschool and out of school education.
- The prevention or relief of poverty or financial hardship in UK and International (Africa) by providing or assisting in the provision of education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.
- To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society through the advancement of the arts, culture and heritage.
- To develop the capacity and skills of the members of the Black and Asian Minority Ethnic (BAME) and those who English isn't their first language of UK in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.
- The promotion of the voluntary sector by the provision of training and development support for people working within the voluntary sector and the provision of meeting and office space for voluntary sector organisations.

The aim of the Charity is to address unemployment, disadvantage and inequality. We do this by developing and increasing the knowledge and skills of individuals who are at the margins of society, enabling those individuals to develop and increase their chances to sustainable employment so that their quality of life is improved and are able to lead full and productive lives.

Our aims fully reflect the purposes that the charity was set up to further.

THE FOCUS OF OUR WORK

Ensuring our work delivers our aims

Our main objectives for the year continued to provide a platform enabling people from disadvantaged backgrounds to turn their aspirations into reality; have a sense of belonging and to access the resources and skills to develop their career and quality of life. We deliver this through targeted services aimed at removing barriers to work, promoting self-employment, raising awareness to improving health and wellbeing, acquisition and improvement of skills and tackling social isolation. Our three key services remain as follows:

1. Business and Entrepreneurial Development - support for individuals, social enterprises and community businesses to equip them with knowledge and skills to become need to start and grow a business.
2. Youth Development – creating opportunities for young people to overcome barriers; empowering and enabling them to be leaders who affect social change.
3. Community Development – reducing isolation and improving cohesion through arts, cultural and heritage events.

How our activities deliver public benefit

We delivered the following projects in the year 2020 ie:

1. Accelerate Programme
2. Capacity and Resilience Development to small VCSE's
3. Coventry City of Culture Projects
4. Covid-19 Emergency and Recovery Projects

Acknowledgements

We appreciate all our staff, volunteer funders and partners who support our work every year.

OUTLINING OUR PERFORMANCE & ACHIEVEMENTS

1. ACCELERATE PROJECT

Funded by ESF & Big Lottery Fund – CDA led. Commenced in July 2016, Extended until March 2022

This project provides business support and training to beneficiaries that are long term unemployed and inactive from Black and Asian Minority Ethnic communities but not exclusively. Our target for this year was to support 15 people into employment or self-employment which we overachieved and actually supported 28 individuals.

2. ARTS COUNCIL - COMMUNITY RESEARCH

Community research project to understand needs of Black and Asian groups underrepresented in the arts and cultural sector to ensure support is appropriate developed and tailored to their needs.

3. CAPACITY BUILDING AND RESILIENCE SUPPORT

We continued to support smaller organisations to develop their capacity and resilience. Only two organisations benefitted in this financial year.

4. COVENTRY CITY OF CULTURE TRUST

International Change Maker's bursary to travel to Ghana to create networks of participants for 2021 city of culture activities. This activity was postponed due to the covid-19 pandemic.

5. COVID-19 COMMUNITY EMERGENCY AND RECOVERY PROJECTS

We delivered six covid-19 related projects in this financial year. The projects are outlined as follows:

a) The Covid-19 Remote Mentoring Intervention Support - NLCF - Covid - Emergency

Funded by The National Lottery Community Fund

The project delivered activities that provided support predominantly to people from Black Minority Ethnic community with an aim to minimize the impact of the covid-19 crisis on families from that community. The project supported 1235 families with the following services:

i. Mentoring Support is:

- **Parents** - Managing young people at home, managing stress and family issues.
- **Young people**- Building and maintaining Confidence, Motivation, Action planning and managing stress.
- **Children** - Helping with home schooling and delivering physical and creative activities.

ii. **Food supplies** – Supplying culturally appropriate food to families impacted by the pandemic.

iii. **Miscellaneous needs** – providing families with needs such as baby stuff, learning resources, mobile phone credit top-up, and other miscellaneous needs.

b) Coronavirus Resilience Project – Emergency Project

Funded by Heart of England Community Foundation

This project supported the Covid-19 Remote Mentoring Intervention Support project contributing to the funds received from the TNLCF to cover emergency supplies to families and travel expenses for volunteers working on the project.

c) Heritage Fund – Emergency Project

Funded by The Heritage Fund

To deliver an emergency project with three key deliverables: Run risk management reviews, develop a long term strategic and sustainable plan for the African cultural heritage, conduct consultations with a wider and diverse audience.

d) Covid-19 Crisis Management – Recovery Project

Funded by The National Lottery Community Fund

Reducing immediate impact of covid-19 crisis has had the Highlife Centre and its beneficiaries, specifically young people from the Black Minority Community.

e) Arts Council - Culture Recovery Fund

Funded by The Arts Council

To deliver covid-19 crisis management and recovery projects for arts and cultural activities for This is Africa 2021-2022 as part of Coventry City of Culture.

f) Heritage Fund - Recovery Fund

Funded by The Heritage Fund

A six months project to gather people, teams, and members of the African community to be part in heritage activities for Coventry city of culture year, reconnect with young people, as well as implement activities that will enable them to restart, protect and sustain the African heritage.

FINANCIAL REVIEW

Our plan for 2020 financial year was a year of reflection, sustainability and growth. These plans were paused due to the pandemic. Revenue generated in the year increased over 200% compared to the previous year due to the pandemic.

Our search for a new premises as a sustainable arm resumed later in the year. Thanks to the National Lottery Community Fund, we were able to afford a six months rental deposit and operational activities.

Principal Funding Sources

The principal funding sources for the charity are currently by way of grant and contract income from the following funding bodies:

- National Lottery Community Fund
- European Social Fund
- National Lottery Heritage Fund
- Arts Council England
- Coventry City Council

Reserves Policy

The board has re-examined the Charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the Charity should be three months of the core running costs of the Charity. Cost of expenditure for 2021 is expected to increase according to the operational costs associated with the new premises which is anticipated at £61,360.34 (including staff salaries and on costs). The trustees are confident that they would be able to continue the current activities of the charity in the event of a significant drop in funding.

PLANS FOR FUTURE PERIODS

For financial year 2021, the organisation will continue to deliver the core contract project; Accelerate, though the restrictions on eligibility to engage in this project is increasingly becoming difficult for potential participants to engage due to the impact of the pandemic on family etc. Recovery projects will also continue into the new financial year. We will continue to seek grant funding for new and existing projects and seek opportunities to build capacity and ensure the organisation is resilient in the future years. Sustainability and increasing unrestricted funds will be our main focus for 2021 and future years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Highlife Centre is a charitable company limited by guarantee, incorporated on 21st October 2010 and registered as a charity on 2nd May 2013. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

RESPONSIBILITIES OF THE BOARD

Company law requires the board of directors/trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The board of Trustees is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Board

The Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2. In accordance with company law, as the company's directors, we certify that:


- So far as we are aware, there is no relevant audit information of which the company's Auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's accountants are aware of that information.

Accountants and Independent Examiners

McGlone and Wardzynski Limited were re-appointed as the charitable company 'accountants during the year and have expressed their willingness to continue in that capacity. This report has been prepared in accordance with the Statement of Recommended Practice:

Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Trustees on 18th November 2021 and signed on its behalf by:


Daisy Oppen
 Chair of Trustees

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Directors. Under the requirements of the Memorandum and Articles of Association the directors are elected to serve for a period of two years after which they must be re-elected at the next Annual General Meeting. All directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts. The directors seek to ensure that the needs of beneficiaries are appropriately reflected through the diversity of the trustee body where five directors are from minority backgrounds and one is white British equivalent to 90% to 10% ethnicity ratio of beneficiaries. In an effort to maintain this broad skill mix, the directors have been selected having the following skills: business, strategy, community and finance.

Trustee Induction and Training

All trustees are familiar with the practical work of the charity. Project and activities updates are prepared and presented at each board meeting to ensure that trustees understand the work of the Charity. All Trustees received to date governing document and any documents setting up the framework of the Charity. Resources and financial position are set out in the latest published accounts and presented to Trustees in advance prior to board meetings. New trustees inducted are sent a welcome pack containing the following documents:

- Memorandum and Articles.
- Organisational Chart
- Trustee handbook
- Information about existing trustees
- Latest financial statement
- Organisational Framework

Risk management

The chief executive and the trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of a code of practice, financial policies and procedure, safeguarding and complaints procedure and a business continuity policy ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

The Highlife Centre has a board of Trustees of six members from a variety of professional backgrounds relevant to the work of the charity. The chief executive sits on the board but has no voting rights and prepare all documents in advance for review prior to board meetings. The day to day responsibility for the provision of the services rest with the Chief Executive who works closely with the chair of Trustees. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. They are also responsible for the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Financial Statement and Annual Report for Year Ending 2020

The Highlife Centre
WAVA Hall
31 Barras Green
Coventry
CV2 4LY

Charity Registration No. 1151868

Company Registration No. 07415399 (England and Wales)

THE HIGHLIFE CENTRE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE HIGHLIFE CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs D Oppon Mr C Antwi Mr T Labeodan Mr K Asiedu-Offei Miss E Brenya
Charity number	1151868
Company number	07415399
Registered office	31 Barras Green Coventry West Midlands CV2 4LY
Independent examiner	McGlone Wardzynski Limited 14 Queens Road Eagle House Coventry CV1 3EG

THE HIGHLIFE CENTRE LIMITED

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THE HIGHLIFE CENTRE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

THE HIGHLIFE CENTRE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HIGHLIFE CENTRE LIMITED

I report to the Trustees on my examination of the financial statements of The Highlife Centre Limited (the Charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity'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 Association of Accounting Technicians, 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Mr James Rose FMAAT

14 Queens Road
Eagle House
Coventry
CV1 3EG

Dated: 19 November 2021

THE HIGHLIFE CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	3	42,727	284,082	326,809	93,753
Other income	4	4,119	-	4,119	2,387
Total income		46,846	284,082	330,928	96,140
<u>Expenditure on:</u>					
Charitable activities	5	50,940	116,583	167,523	58,710
Net (outgoing)/incoming resources before transfers		(4,094)	167,499	163,405	37,430
Gross transfers between funds		(1,491)	1,491	-	-
Net (expenditure)/income for the year/ Net movement in funds		(5,585)	168,990	163,405	37,430
Fund balances at 1 January 2020		7,763	35,409	43,172	5,742
Fund balances at 31 December 2020		2,178	204,399	206,577	43,172

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

All income and expenditure derive from continuing activities.

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

THE HIGHLIFE CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>				
Donations and legacies	3	20,481	73,272	93,753
Other income	4	2,387	-	2,387
Total income		22,868	73,272	96,140
<u>Expenditure on:</u>				
Charitable activities	5	20,846	37,864	58,710
Net (outgoing)/incoming resources before transfers		2,022	35,408	37,430
Net (expenditure)/income for the year/ Net movement in funds		2,022	35,408	37,430
Fund balances at 1 January 2019		5,742	-	5,742
Fund balances at 31 December 2019		7,764	35,408	43,172

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

All income and expenditure derive from continuing activities.

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

THE HIGHLIFE CENTRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		11,974		13,852
Current assets					
Debtors	10	13,387		17,990	
Cash at bank and in hand		190,580		23,544	
		203,967		41,534	
Creditors: amounts falling due within one year	11	(9,364)		(12,214)	
Net current assets			194,603		29,320
Total assets less current liabilities			206,577		43,172
Income funds					
Restricted funds	12	204,399		35,408	
Unrestricted funds		2,178		7,764	
		206,577		43,172	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

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

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

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

The financial statements were approved by the Trustees on 18 November 2021


Mrs D Oppon
Trustee

Company Registration No. 07415399

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Highlife Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 31 Barras Green, Coventry, West Midlands, CV2 4LY.

Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation

1.1 Accounting convention

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

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	15% reducing balance method
Computers	33% straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	100	-	100	-	-	-
Legacies receivable	-	-	-	3,342	-	3,342
Grants received	42,627	284,082	326,709	17,139	73,272	90,411
	<u>42,727</u>	<u>284,082</u>	<u>326,809</u>	<u>20,481</u>	<u>73,272</u>	<u>93,753</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Other income	<u>4,119</u>	<u>2,387</u>

Other income includes £3,299 employers allowance and £820 for refunds. In 2019 other income all relates to employers allowance.

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Training & work support 2020 £	Training & work support 2019 £
Staff costs	43,493	36,825
Depreciation and impairment	1,878	2,216
Rent	5,373	5,190
Insurance	709	635
Hire of equipment and marquee	-	551
Office costs and administration	2,883	3,386
Computer software and maintenance	1,924	782
Subscriptions	847	409
Sundry expenses	6,049	710
Professional, accountancy and legal fees	807	13
Advertising & marketing	2,815	461
Consultancy fees	42,116	3,283
Bank Charges	928	2,449
Equipment	2,559	-
Sessional staff	53,642	-
	<u>166,023</u>	<u>56,910</u>
Share of governance costs (see note 6)	1,500	1,800
	<u>167,523</u>	<u>58,710</u>
Analysis by fund		
Unrestricted funds	50,940	20,846
Restricted funds	116,583	37,864
	<u>167,523</u>	<u>58,710</u>

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Accountancy fees	-	1,500	1,500	-	1,800	1,800
	-	1,500	1,500	-	1,800	1,800
Analysed between Charitable activities	-	1,500	1,500	-	1,800	1,800

Governance costs includes costs for independent examination.

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. (2019 - £Nil)

No trustees have received any other benefits from the charity during the year. (2019 - £Nil)

8 Employees

The average monthly number of employees during the year was: 2

	2020 Number	2019 Number
Administration Staff	1	1
Chief Executive Office	1	1
Total	2	2
Employment costs	2020 £	2019 £
Wages and salaries	42,700	36,221
Other pension costs	793	604
	43,493	36,825

No employee received emoluments of more than £60,000 during the year.

There were no employees whose annual remuneration was £60,000 or more.

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2020	35,897	939	36,836
At 31 December 2020	35,897	939	36,836
Depreciation and impairment			
At 1 January 2020	22,045	939	22,984
Depreciation charged in the year	1,878	-	1,878
At 31 December 2020	23,923	939	24,862
Carrying amount			
At 31 December 2020	11,974	-	11,974
At 31 December 2019	13,852	-	13,852

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	13,210	17,990
Other debtors	177	-
	13,387	17,990

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	-	1,309
Trade creditors	286	-
Other creditors	6,978	8,805
Accruals and deferred income	2,100	2,100
	9,364	12,214

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at
	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020		31 December 2020
	£	£	£	£	£	£	£	£
Heart of England	10,000	-	10,000	-	(463)	-	-	9,537
Inspiring to Achieve	7,958	-	7,959	11,483	(19,826)	-	-	(385)
Arts Council Research Project	13,450	-	13,450	1,495	(14,574)	-	-	371
Active Citizens	4,000	-	4,000	-	(3,516)	-	-	484
Accerlerate Programme	37,865	(37,865)	-	-	-	-	-	-
Arts Council Culture Recovery	-	-	-	4,000	(3,178)	-	-	822
Heritage Fund Emergency	-	-	-	71,564	(6,020)	-	-	65,544
Heritage Fund Emergency	-	-	-	14,800	(15,129)	-	329	-
Heritage Recovery Fund	-	-	-	54,900	(4,920)	-	-	49,980
NLCF - Covid Emergency	-	-	-	34,616	(35,778)	-	1,162	-
	-	-	-	91,224	13,178	-	-	104,402
	<u>73,273</u>	<u>(37,865)</u>	<u>35,409</u>	<u>284,082</u>	<u>(90,226)</u>	<u>1,491</u>	<u>204,399</u>	

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Restricted funds

(Continued)

The unrestricted grants this year were:-

- Inspire to Achieve - Groundworks
Business and employment support to unemployed and inactive individuals
- Arts Council Research Project
Community research to understand needs of Black and Asian groups under-presented in the arts and to ensure support is appropriate developed and tailored to their needs.
- Heart of England - Covid
Food and travel supplies
- Arts Council - Culture Recovery Fund
To deliver covid-19 crisis management and recovery plan for arts and cultural projects for 2021.
- Heritage Fund - Emergency
To deliver an emergency project with three key deliverables: Run risk management reviews, develop long term strategic and sustainable plan, conduct consultations with a wider and diverse audience.
- Heritage Recovery Fund
The fund's aim was to deliver a six months project to gather people, teams, and members of the African community to be part in heritage programmes, reconnect with young people, as well as implement activities that will enable them to restart, protect and sustain the African heritage. .
- NLCF - Covid Emergency
Covid-19 Remote Mentoring Intervention to provide food and emergency supplies to minimize the impact of the covid-19 crisis on families from that from minority groups.
- NLCF - Covid Crisis Management
Reducing immediate impact of covid-19 crisis has had the Highlife Centre and its beneficiaries, specifically young people from the BME communities.

THE HIGHLIFE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

14 Cash generated from operations	2020 £	2019 £
Surplus for the year	163,405	37,430
Adjustments for:		
Depreciation and impairment of tangible fixed assets	1,878	2,216
Movements in working capital:		
Decrease/(increase) in debtors	4,603	(17,990)
(Decrease)/increase in creditors	(2,850)	12,214
Cash generated from operations	167,036	33,870