

STUDENT FUTURES

**ANNUAL REPORT
& FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2022**

Charity Registration No. 1180845

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STUDENT FUTURES

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

The Trustees present their report and financial statements for the year ended 31st March 2022 for the Charitable Incorporated Organisation.

The financial statements have been prepared in accordance with the Charitable Incorporated Organisation's trust deed, the Charities Act 2011 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 published (FRS 102) (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

The object of the Charitable Incorporated Organisation is, for the public benefit, to relieve the needs of young people under the age of 25 with Special Educational Needs and Disabilities (SEND) by the provision of facilities for training and work experience designed to assist with developing their confidence, capabilities, skills and employability.

Public Benefit

In considering the objectives and activities, the Trustees have considered the Charity Commission's guidance on Public Benefit to ensure that the organisation is meeting its Public Benefit requirements.

ACHIEVEMENTS AND PERFORMANCE

The café was open for most of the period but was occasionally closed due to staff sickness (Covid). We continue to provide work experience to students, through helping to prepare food and serve customers, as well as to be a source of reasonably priced, well-prepared food for the local community. We employed a former student on a Supported Apprenticeship who helped cook the food sold by the café. This young person will use this experience to apply for a job in 2022-23.

Eight Students have been provided work experience opportunities with the café during the year.

Donations and rent received by subletting part of the premises, have allowed the café to maintain its operations and achieve its objective.

FINANCIAL REVIEW

Total income for the period was £23,664 including rent of £4,745, of which £nil related to funding for projects upon which restrictions are placed.

Total expenditure for the period was £27,636, leaving a deficit for the period of £3,972.

At 31st March 2022 the Charitable Incorporated Organisation's reserves stood at £39,877 (2021: £43,849), of which £6,289 (2021: £8,576) represented restricted funds and £33,588 (2021: £35,273) represented unrestricted funds, which includes £17,626 (£25,761) related to the recognition of the right of use asset.

Risk Management

The main risks to which the Charitable Incorporated Organisation is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

Reserves Policy

It is the policy of the Charitable Incorporated Organisation to ensure that a sufficient level of unrestricted reserves are retained in order to:

- Safeguard against any drop in income
- Cover existing commitments
- Maintain funding of our core activities
- Replacement of equipment

As at the end of the financial period the free unrestricted reserves totalled £15,962.

Plans for the future

To continue to ensure students with SEND are given opportunities to develop work-based skills to demonstrate to potential employers the skills our students have, to develop the cafe as a community hub/facility. We will also use any profit to support the salary of a young person on an assisted apprenticeship that would help them get a full-time job.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Student Futures is a registered Charitable Incorporated Organisation (CIO), number 1180845 formed on 26th November 2018, under the terms of their constitution 10th April 2018.

There must be at least three charity trustees, if the numbers falls below this minimum, the remaining trustees' may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

There is no maximum number of charity trustees that may be appointed to the CIO.

The first trustees appointed will remain in office as follows;

Mark Hilton	four years
Keith McDowall	three years (Reappointed March 2022 for 3 years)
Paul Bibby	three years (Reappointed March 2022 for 3 years)
Julia Casimo	two years (Reappointed May 2021 for 3 years)

Apart from the first charity trustees, every trustee must be appointed for a term of three years by resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustee, the charity trustees must have regard to the skills, knowledge and experience needed of the effective administration of the CIO.

The charity trustees will make available to each new charity trustee, on or before his or her first appointment.

- A copy of the current version of this constitution, and
- A copy of the CIO's latest trustee' Annual Report and Statement of Accounts.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Name	Student Futures
Charity number	1180845
Address & Office	35 Irene Road Childwall Liverpool L16 8NS
Trustees	The members of the Board of Trustees are as follows: P Bibby J Casimo M Hilton K McDowall
Bankers	Santander UK Plc Bindle Road Bootle Merseyside L30 4GB

Signed on behalf of the Trustees

.....
M Hilton, Trustee

.....
Date

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Restated Total Funds
		31 st March 2022 £	31 st March 2022 £	31 st March 2022 £	31 st March 2021 £
Income and Endowments from					
Donations and legacies	3a	10,354	-	10,354	6,858
Charitable activities	3b	8,565	-	8,565	1,765
Other trading activities	3c	4,745	-	4,745	6,288
Total income		23,664	-	23,664	14,911
Expenditure on					
Charitable activities	4	25,349	2,287	27,636	21,309
Total expenditure		25,349	2,287	27,636	21,309
Net income/(expenditure), net movement in funds		(1,685)	(2,287)	(3,972)	(6,398)
Total funds brought forward	10, 12	35,273	8,576	43,849	50,247
Total funds carried forward	10, 12	33,588	6,289	39,877	43,849
		=====	=====	=====	=====

The notes on pages 7 to 15 form part of these accounts.

All the above amounts relate to continuing activities of the Charitable Incorporated Organisation.

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BALANCE SHEET AS AT 31ST MARCH 2022

	Notes	31 st March 2022		Restated 31 st March 2021	
		£	£	£	£
Fixed assets					
Fixed assets			27,017		38,567
Tangible fixed assets	5	9,391		12,806	
Right of use asset	6	17,626		25,761	
		-----		-----	
Current assets					
Debtors	7	-		-	
Cash at bank and in hand		13,415		6,482	
		-----		-----	
		13,415		6,482	
Current liabilities					
Creditors: amounts falling due within one year	8	(555)		(1,200)	
		-----		-----	
Net current assets			12,860		5,282
			-----		-----
Total assets less current liabilities			39,877		43,849
			=====		=====
Funds:					
Unrestricted funds	10,11		33,588		35,273
Restricted funds	10,12		6,289		8,576
			-----		-----
			39,877		43,849
			=====		=====

Approved by Trustees on 22/12/22

.....
M Hilton, Trustee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. Limited Liability

The charity is a Charitable Incorporated Organisation limited by guarantee. Each member's liability is limited to £10.

2. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2019) (effective 1st January 2019) and Charities Act 2011.

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

The Charitable Incorporated Organisation 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.

Going concern

The Charitable Incorporated Organisation has not been significantly impacted financially by Covid-19, due to receiving regular monthly donations and reducing costs. At the time of approving the accounts, the Trustees have a reasonable expectation that the Charitable Incorporated Organisation has adequate resources to continue in operational existence for the foreseeable future. The Trustees have therefore adopted the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the Charitable Incorporated Organisation, free reserves available for the Trustees to apply in accordance with the Charitable Incorporated Organisation's objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure.

Income recognition

All income is recognised once the Charitable Incorporated Organisation has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accrual's basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Fixed Assets

Capital expenditure is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Catering Equipment	20% per annum reducing balance basis
Right of use assets	Depreciated over the term of the lease

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charitable Incorporated Organisation to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the Charitable Incorporated Organisation comprising of direct charitable expenditure to meet the objectives of the Charitable Incorporated Organisation. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the Charitable Incorporated Organisation.

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.

Financial instruments

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

Financial instruments are recognised in the Charitable Incorporated Organisation's balance sheet when the Charitable Incorporated Organisation 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

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 receipts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Incorporated Organisation's contractual obligations expire or are discharged or cancelled.

Critical accounting estimates and judgements

In the application of the Charitable Incorporated Organisation'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 on-going 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.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Cost of charitable activities relate to the operation of the Charitable Incorporated Organisation comprising of direct charitable expenditure to meet the objectives of the Charitable Incorporated Organisation. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the Charitable Incorporated Organisation.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The Charitable Incorporated Organisation benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The Charitable Incorporated Organisation is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

3. Income and endowments from:

	Unrestricted Funds 31 st March 2022	Restricted Funds 31 st March 2022	Total Funds 31 st March 2022	Total Funds 31 st March 2021
a. Donations and legacies	£	£	£	£
Donations	10,354	-	10,354	6,858
	=====	=====	=====	=====
b. Charitable activities	£	£	£	£
Café income	8,565	-	8,565	1,765
	-----	-----	-----	-----
	8,565	-	8,565	1,765
	=====	=====	=====	=====
c. Other trading activities	£	£	£	£
Rental income	4,745	-	4,745	6,288
	=====	=====	=====	=====

4. Expenditure on charitable activities

	Direct charitable Expenditure £	Support & Governance Costs £	Total 31 st March 2022 £	Restated Total 31 st March 2021 £
Provision of facilities for training and work experience for Special Educational Needs and Disabilities under 25 years old	26,136	1,500	27,636	21,309
	=====	=====	=====	=====

a. analysed as follows

	31 st March 2022	31 st March 2021
<i>Direct Charitable Expenditure:</i>	£	£
Food, drink and services	10,736	4,878
Waste disposal	988	339
Building costs	2,646	2,193
Equipment	217	8
Depreciation	3,415	4,657
Deprecation ROU	8,135	8,135
	-----	-----
	26,136	20,210
	-----	-----

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	£	£
<i>Support and governance costs:</i>		
Insurance	645	610
Bank charges	300	39
Accountancy	555	450
	-----	-----
	1,500	1,099
	-----	-----
Total expenditure on charitable activities	27,636	21,309
	=====	=====

£2,287 (2021: £3,119) of the above expenditure is restricted expenditure.

b. Staff Costs

There were no employees during the period up to 31st March 2022 and 31st March 2021.

The Trustees are not remunerated for their services and are not included in the above number of employees.

No out-of-pocket expenses were reimbursed to Trustees during the period.

5. Tangible fixed assets

	Catering Equipment	Total
Cost	£	£
Balance at 31 st March 2021	23,813	23,813
Additions in the period	-	-
	-----	-----
Balance at 31 st March 2022	23,813	23,813
	-----	-----
Depreciation		
Balance at 31 st March 2021	11,007	11,007
Charge for the period	3,415	3,415
	-----	-----
Balance at 31 st March 2022	14,422	14,422
	-----	-----
Net book value at 31st March 2022	9,391	9,391
	=====	=====
Net book value at 31 st March 2021	12,806	12,806
	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

6. Right of use assets

	Building Lease	Total
Cost	£	£
Balance at 31 st March 2021	40,675	40,675
Additions in the period	-	-
	-----	-----
Balance at 31 st March 2022	40,675	40,675
	-----	-----
Depreciation		
Balance at 31 st March 2021	14,914	14,914
Charge for the period	8,135	8,135
	-----	-----
Balance at 31 st March 2022	23,049	23,049
	-----	-----
Net book value at 31st March 2022	17,626	17,626
	=====	=====
Net book value at 31 st March 2021	25,761	25,761
	=====	=====

The charity holds a peppercorn lease of a Lancashire Rose. This is a five year lease with A J Bell Trust dated 14th May 2019.

7. Debtors

There were no debtors at 31st March 2022 (2021: £Nil)

8. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	555	1,200
Deferred income (Note 8)	-	-
	-----	-----
	555	1,200
	=====	=====

9. Deferred Income

	2022	2021
	£	£
Balance at 31 st March 2021	-	550
Amount deferred in the period	-	-
Amount released to incoming resources	-	(550)
	-----	-----
Balance at 31st March 2022	-	-
	=====	=====

Deferred income represents rental income received in advance.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

10. Analysis of net assets between funds

2022	Right of Use Assets	Tangible Fixed Assets	Net Current Assets/ (Liabilities)	Total
Unrestricted Funds		£	£	£
General Fund	17,626	3,102	12,860	33,588
Restricted Funds				
Liverpool City Council		6,289	-	6,289
Totals	17,626	9,391	12,860	39,877
	=====	=====	=====	=====

2021	Right of Use Assets	Tangible Fixed Assets	Net Current Assets/ (Liabilities)	Total
Unrestricted Funds		£	£	£
General Fund	25,761	4,230	5,282	35,273
Restricted Funds				
Liverpool City Council		8,576	-	8,576
Totals	25,761	12,806	5,282	43,849
	=====	=====	=====	=====

11. Unrestricted Funds

2022	Resources at beginning of period	Movements in the Period		Resources at end of period
	£	Income	Expenditure	£
General Fund	35,273	23,664	(25,349)	33,588
	=====	=====	=====	=====

2021	Resources at beginning of period	Movements in the Period		Resources at end of period
	£	Income	Expenditure	£
General Fund	38,552	14,911	(18,190)	35,273
	=====	=====	=====	=====

General Fund is used to finance the Charitable Incorporated Organisation general activities and core costs as outlined in the Trustees' Report.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

12. Restricted Funds

2022	Resources at beginning of period £	Movements in the Period		Resources at end of period £
		Income £	Expenditure £	
Liverpool City Council	8,576	-	(2,287)	6,289
	<u>8,576</u>	<u>-</u>	<u>(2,287)</u>	<u>6,289</u>
	=====	=====	=====	=====
2021	Resources at beginning of period £	Movements in the Period		Resources at end of period £
		Income £	Expenditure £	
Liverpool City Council	11,695	-	(3,119)	8,576
	<u>11,695</u>	<u>-</u>	<u>(3,119)</u>	<u>8,576</u>
	=====	=====	=====	=====

These are monies given to the Charitable Incorporated Organisation to be spent at the discretion of the Board of Trustees for specific charitable purposes, as follows:

Liverpool City Council – Contribution towards catering equipment

13. Prior year adjustment

Prior year balances have been restated to reflect the introduction of IFRS 16 right of use assets recognising the peppercorn lease in the financial statements.

a. Statement of financial activities for the year ended 31st March 2021

	£
Report ed net movement in funds	1,737
Depreciation of right of use lease	(8,135)
	<u>-----</u>
Restated net movement in funds	(6,398)
	=====

b. Balance Sheet as at 31st March 2021

	£
Reported total funds	18,088
Right of use lease asset introduced	40,675
Cumulative depreciation RoU asset	(14,914)
	<u>-----</u>
Restated total funds	43,849
	=====

STUDENT FUTURES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

c. Balance Sheet as at 31st March 2020

	£
Reported total funds	16,351
Right of use lease asset introduced	40,675
Cumulative depreciation RoU asset	(6,779)

Restated total funds	50,247
	=====

14. Related Parties

Mark Hilton a trustee is also a director of the main supplier Food for Thought Merseyside Limited for the value of £7,708 (company number 05455926).

15. Limited liability of members

The Charitable Incorporated Organisation (CIO) is limited by guarantee with each member's liability not exceeding £10. At 31st March 2022 the CIO had 4 members £40 (2021: 4 members £40)