

Charity Registration No. 518985

Company Registration No. 02108184 (England and Wales)

K.I.N.D.

A COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr C P Arthur C C Davies P Scanlon M Wafer S Green
Chief Executive Officer	S Yip
Charity number	518985
Company number	02108184
Registered office	19 Back Canning Street Liverpool Merseyside L8 7PB
Independent examiner	Mr Peter Taaffe FCA CTA DChA Tempest Suite 5.1 12 Tithebarn Street Liverpool L2 2DT
Bankers	Barclays Bank Plc Liverpool Branch 48B - 50 Lord Street Liverpool L2 1TD
Solicitors	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
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**K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities for the public benefit

The Charity was incorporated as a private company number 02108184, limited by guarantee, on 9 March 1987 and is ruled by its Memorandum and Articles of Association, although the Charity has existed since 1975.

Its principal object is to provide or assist in the provision of facilities for recreation and other leisure time occupations of children and young persons who are in conditions of need, hardship or distress by the provision of breaks or outings with the object of educating and assisting them to develop their physical, mental and spiritual well being in a caring, but structured and disciplined environment.

The charity depends significantly on the service of volunteers and on donations for its day to day running.

The major areas of activity each year are, broadly, the Residential Project, KIND SEED Centre, the Christmas Appeal and the provision of year round assistance to children and their families.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

2021 has been another year of uncertainty and change. Again, our team has risen to the demands and adjusted our services to carry on supporting and meeting the needs of our children and families.

The Centre

We didn't have children visit the Centre until Easter and then we were fully booked until the Christmas break. The team again followed all Covid advice to keep our children, staff and families as safe as possible. Thanks again to Don, Paul Dixon and Martin Swift our beekeeper for ensuring that our garden and pond areas looked wonderful.

Programmes

We ran our Easter Club and then were fortunate enough to run all of our Out of School programme. We were also able to run our education schools programme for the majority of the year after Easter. The staff team, led by Stephen and including Trish, Kayleigh, Dave, Don, Indi, Leanne, Roisin, Amie and Erin have worked extremely hard in very difficult circumstances to ensure that our children and families have had the best services from the Charity to meet their needs. Please keep updated with everything on our website and Facebook – these are constantly updated.

Crisis Food Programme

We again undertook our Crisis Food Programme from February to March in order to support children and families who were really struggling during the lockdown. As in 2020, we also included education packs for the children. We again provided support for between 150-200 families each week, providing them with wonderful food packs which included fresh fruit and veg, a meat pack, free range eggs, bread, cheese and over 50 other items. The project again reached out to over 9,000 disadvantaged children and adults from across our Merseyside community. We worked through a variety of other organisations to ensure that we reached those families most in need.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021

Christmas Appeal

This year we packed and distributed 1500 family sized Christmas food hampers and over 400 toy and clothing packs. Working through a variety of organisations and individuals who referred families in need, we were able to make Christmas a very special and happy time for thousands of children and adults from across our community.

Practical Help

2021 has seen an increased demand for this form of support and again as a charity we have risen to that demand.

The Welsh Church

Plans are still progressing for the rescue and renovation of the derelict Welsh Church in Liverpool 8. We are still working closely with Merseyside Buildings Preservation Trust and Heritage Lottery. However, we are experiencing difficulties with Liverpool City Council, who have been very hard to work with and do not share our vision or optimism for the building. The negativity and lack of response has been very disheartening.

Conclusion

The Board and myself have gone through some very difficult times this year and we can only imagine what some of the families that KIND supports have been going through. However, our staff team need to be applauded and their efforts recognised by all in our city for their continuing commitment, dedication and hard work in supporting children and families in need from within our community. They are a real credit and we are proud to be a part of the same team.

Financial review

The charity's income for the year amounted to £490,756 (2020: £776,913). Total expenditure amounted to £763,935 (2020: £438,008). This has resulted in a deficit of £273,179 for the year (2020: surplus of £338,905).

Unrestricted funds (including designated funds) of the charity totalled £890,351 at 31 December 2021 (31 December 2020: £876,533). Restricted funds of the charity totalled £nil at 31 December 2021 (31 December 2020: £286,997).

Although the balance sheet shows that there were total unrestricted funds (excluding designated funds) of £505,351 at 31 December 2021, £195,691 of this represents fixed assets, none of which is available to the trustees to defray ongoing running costs. This leaves £309,660 free spendable reserves. The Designated Fund of £385,000 represents funds set aside out of unrestricted funds for spending on building maintenance, school activities, salaries and future projects.

KIND is a traditional charity which relies solely on the generosity of its friends and supporters in order to provide its much needed services. In order to ensure that these services would continue in a downturn in donations the Charity is aiming to have a minimum of six months' of unrestricted running costs in free reserves. The charity receives no central or local government funding and is still one of the few remaining charities that does not charge for its services and programmes.

Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to manage exposure to those risks.

For a small charity risk management is an essential part of planning. KIND is very fortunate because it has a solicitor and numerous Trustees on its board who are used to dealing with large companies. Financially the charity is extremely well regulated and the monthly reconciliation of accounts ensures that any financial difficulties are brought to the attention of the Board very quickly. KIND staff have regular training to ensure that they are aware of the latest safeguarding issues and other health and safety issues that may impinge upon our work. As a small charity I feel that we are doing our best to ensure that any risk is kept to a minimum.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The charity is a company limited by guarantee. The liability in respect of the guarantee as set out in the memorandum, is limited to £1 per member of the company.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr C P Arthur
C C Davies
P Scanlon
M Wafer
S Green

Appointment of trustees

Trustee recruitment remains a priority for the Board, who are keen to recruit new trustees with skills and qualities that will enhance the performance of the charity. The Board are also intending that there is a more inclusive trustee base. Like all smaller charities, KIND is constantly striving to strengthen its Trustee board. We have a very good core of trustees who have been with the organisation for a long time. But we are constantly looking to recruit new trustees to help strengthen the board.

The Charity is registered by the Charity Commissioners for England and Wales, registration number 518985. The number of trustees of the Board shall not be less than 5 and not more than 12. The Board may from time to time appoint any member of the Association as a trustee to fill a casual vacancy or by way of addition to the Board. Any member so appointed shall retain this office only until the next Annual General Meeting, but he shall then be eligible for re-election. He shall not be taken into account in determining the members of the Board who are to retire by rotation at such meetings. The trustees met on a regular basis throughout the year.

Trustee induction and training

All potential trustees are offered the opportunity to have a face-to-face discussion with both Stephen our CEO and Peter our Chair of Trustees before they make the final decision to join or not. Once they have agreed to become Trustees there is an induction process and all Trustees will be required to have a DBS certificate.

Organisation

Day-to-day decision-making is delegated to the Chief Executive Officer, Stephen Yip. Decisions regarding the long term strategy of the charity are approved by the board of trustees.

The remuneration arrangements for all staff are reviewed annually by the Trustees. The Trustees have historically looked at wages paid within our sector and have decided that our wage scales, because of the nature of our work, are both competitive and fair. They have always increased wages in line with inflation and as a charity we feel that we offer salaries that are commensurate with duties and responsibilities.

Asset cover for funds

Notes 3 to 11 set out income and expenditure attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Small company provisions

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

The trustees' report was approved by the Board of Trustees.

Dr C P Arthur

Trustee

Dated: 28 June 2022

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of K.I.N.D. for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts 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 accounts, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

**K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF K.I.N.D.**

I report to the trustees on my examination of the accounts of K.I.N.D. (the charity) for the year ended 31 December 2021.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

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 the 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 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 Peter Taaffe FCA CTA DChA

BWM
Chartered Accountants
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated: 5 July 2022

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	469,814	3,320	473,134	572,408
Charitable activities	4	-	15,672	15,672	201,895
Investments	5	775	-	775	1,384
Other income	6	1,175	-	1,175	1,226
Total income		471,764	18,992	490,756	776,913
<u>Expenditure on:</u>					
Raising funds	7	-	4,850	4,850	4,899
Charitable activities	8	452,958	-	452,958	433,109
Other	12	-	306,127	306,127	-
Total expenditure		452,958	310,977	763,935	438,008
Net income/(expenditure)		18,806	(291,985)	(273,179)	338,905
Transfers between funds	18	(4,988)	4,988	-	-
Net movement in funds		13,818	(286,997)	(273,179)	338,905
Fund balances at 1 January 2021		876,533	286,997	1,163,530	824,625
Fund balances at 31 December 2021		890,351	-	890,351	1,163,530

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

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

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	568,268	4,140	572,408
Activities for generating funds	4	-	201,895	201,895
Investments	5	1,384	-	1,384
Other income	6	1,226	-	1,226
Total income		570,878	206,035	776,913
<u>Expenditure on:</u>				
Raising funds	7	-	4,899	4,899
Charitable activities	8	433,109	-	433,109
Total expenditure		433,109	4,899	438,008
Net (expenditure)/income		137,769	201,136	338,905
Transfers between funds	18	(57,401)	57,401	-
Net movement in funds		80,368	258,537	338,905
Fund balances at 1 January 2020		796,165	28,460	824,625
Fund balances at 31 December 2020		876,533	286,997	1,163,530

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

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

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	13	7,450		10,430	
Tangible assets	14	188,241		193,361	
		<u>195,691</u>		<u>203,791</u>	
Current assets					
Debtors	15	44,988		330,466	
Cash at bank and in hand		657,810		635,967	
		<u>702,798</u>		<u>966,433</u>	
Creditors: amounts falling due within one year	17	(8,138)		(6,694)	
Net current assets		<u>694,660</u>		<u>959,739</u>	
Total assets less current liabilities		<u>890,351</u>		<u>1,163,530</u>	
Income funds					
Restricted funds	18	-		286,997	
<u>Unrestricted funds</u>					
Designated funds	20	385,000		453,738	
General unrestricted funds		505,351		422,795	
		<u>890,351</u>		<u>876,533</u>	
		<u>890,351</u>		<u>1,163,530</u>	

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 28 June 2022

C C Davies
Trustee

Company Registration No. 02108184

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		21,067		80,722
Investing activities					
Purchase of tangible fixed assets		-		(1,200)	
Interest received		776		1,383	
Net cash generated from investing activities			776		183
Net increase in cash and cash equivalents			21,843		80,905
Cash and cash equivalents at beginning of year			635,967		555,062
Cash and cash equivalents at end of year			657,810		635,967

**K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting policies

Company information

K.I.N.D. is a UK Registered Charity and a Company Limited by Guarantee. The registered office address can be found on the Legal and Administration Information page to the accounts.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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 accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts and as detailed in the Trustees' report the Trustees have considered the impact of Covid-19 on the charity and 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 accounts.

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 accounts.

Designated funds comprise unrestricted funds that have been set aside by trustees for a particular purpose. The aim and use of the designated funds are set out in the notes to the financial statements.

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 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.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure reflects all amounts paid and accrued during the year. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, support costs are apportioned on an appropriate basis.

Raising funds include the costs associated with printing the charity's annual calendar.

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.

Governance costs represent costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include staff salaries, premises and other costs and governance costs which support the charity's activities. These costs have been allocated to expenditure on charitable activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Website costs	20% straight line
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1.7 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:

Freehold land	Nil
Health & Wellbeing Centre	2% straight line
K.I.N.D. SEED Centre & Outdoor classroom	2% straight line
Computers	25% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance
Sports area	10% straight line

Any gain 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 for the year.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies **(Continued)**

1.8 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).

1.9 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.

1.10 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.

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.

1.11 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.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Retirement benefits

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

1.13 Taxation

The charity 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 charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

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.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	440,078	3,320	443,398	497,861	4,140	502,001
Grants receivable	29,736	-	29,736	70,407	-	70,407
	<u>469,814</u>	<u>3,320</u>	<u>473,134</u>	<u>568,268</u>	<u>4,140</u>	<u>572,408</u>
Donations and gifts						
Individuals	114,093	-	114,093	160,314	-	160,314
Companies	28,521	-	28,521	32,990	-	32,990
Trusts	76,625	-	76,625	51,849	-	51,849
Schools and church groups	3,930	-	3,930	15,221	-	15,221
Councils	39,600	-	39,600	17,975	-	17,975
Sponsorship of 2022 Calendar	-	3,320	3,320	-	4,140	4,140
Investors	14,120	-	14,120	15,053	-	15,053
Gift aid	30,923	-	30,923	40,145	-	40,145
Christmas appeal	86,447	-	86,447	90,236	-	90,236
Awards For All	5,800	-	5,800	-	-	-
Crisis food programme	40,019	-	74,078	74,078	-	74,078
	<u>440,078</u>	<u>3,320</u>	<u>443,398</u>	<u>497,861</u>	<u>4,140</u>	<u>502,001</u>
Grants receivable for core activities						
Job Retention Scheme	29,736	-	29,736	70,407	-	70,407
	<u>29,736</u>	<u>-</u>	<u>29,736</u>	<u>70,407</u>	<u>-</u>	<u>70,407</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

4 Activities for generating funds

	Restricted fund 2021 £	Restricted fund 2020 £
Performance related grants	15,672	201,895
	<u>15,672</u>	<u>201,895</u>
Performance related grants		
The Heritage Lottery	15,672	201,895
	<u>15,672</u>	<u>201,895</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	775	1,384
	<u>775</u>	<u>1,384</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	1,175	1,226
	<u> </u>	<u> </u>

Other income of £1,175 (2020: £1,226) relates to a Feed-in Tariff (FIT) payment received from the charity's energy provider.

7 Raising funds

	Restricted funds	Restricted funds
	2021	2020
	£	£
<u>Fundraising</u>		
Other fundraising costs	4,850	4,899
	<u> </u>	<u> </u>
	<u>4,850</u>	<u>4,899</u>
	<u> </u>	<u> </u>

K.I.N.D.
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8 Charitable activities

	Centre activities 2021 £	Christmas appeal 2021 £	Crisis food programme 2021 £	Total 2021 £	Centre activities 2020 £	Christmas appeal 2020 £	Crisis food programme 2020 £	Total 2020 £
Staff costs	202,810	-	-	202,810	185,779	-	-	185,779
Depreciation and impairment	8,099	-	-	8,099	9,175	-	-	9,175
Project and centre costs	85,498	-	-	85,498	52,787	-	-	52,787
Christmas Appeal	-	94,574	-	94,574	-	104,123	-	104,123
Crisis food programme	-	-	56,641	56,641	-	-	76,060	76,060
	<u>296,407</u>	<u>94,574</u>	<u>56,641</u>	<u>447,622</u>	<u>247,741</u>	<u>104,123</u>	<u>76,060</u>	<u>427,924</u>
Share of governance costs (see note 9)	5,336	-	-	5,336	5,185	-	-	5,185
	<u>301,743</u>	<u>94,574</u>	<u>56,641</u>	<u>452,958</u>	<u>252,926</u>	<u>104,123</u>	<u>76,060</u>	<u>433,109</u>
Analysis by fund								
Unrestricted funds	<u>301,743</u>	<u>94,574</u>	<u>56,641</u>	<u>452,958</u>	<u>252,926</u>	<u>104,123</u>	<u>76,060</u>	<u>433,109</u>
For the year ended 31 December 2020								
Unrestricted funds	<u>252,926</u>	<u>104,123</u>	<u>76,060</u>					<u>433,109</u>

K.I.N.D. staff run the Centre activities and the Christmas Appeal.

Volunteers are an essential part of the Christmas Appeal and the work at the Centre.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Governance costs	2021	Governance costs	2020
	£	£	£	£
Independent examination fees	1,507	1,507	1,464	1,464
Accountancy	2,261	2,261	2,196	2,196
Legal and professional	514	514	400	400
Bank charges	1,054	1,054	1,125	1,125
	<u>5,336</u>	<u>5,336</u>	<u>5,185</u>	<u>5,185</u>
Analysed between				
Charitable activities	<u>5,336</u>	<u>5,336</u>	<u>5,185</u>	<u>5,185</u>

Total governance costs have been recharged to centre activities.

Governance costs includes payments to the accountants of £1,507 (2020: £1,464) for independent examination fees and £2,261 (2020: £2,196) for accountancy services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or re-imbursed expenses from the charity during the year (2020: £Nil).

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 Employees

Number of employees

The average monthly number of persons employed by the company during the year was:

	2021	2020
	Number	Number
Administration	1	1
Environmental and Social Educational staff	7	7
	<u>8</u>	<u>8</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	188,453	172,948
Social security costs	10,775	9,383
Other pension costs	3,582	3,448
	<u>202,810</u>	<u>185,779</u>

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

12 Other

	Restricted	Restricted
	funds	funds
	£	£
	2021	2020
Welsh Church planning costs	<u>306,127</u>	<u>-</u>

Welsh Church expenditure of £306,127 relates to costs incurred over the last 3 years for the planning stage of a potential new site for the Centre and has been 80% funded by The Heritage Lottery. Expenditure has previously been held as a prepayment with the hope of capitalising in the future but as discussed in the Trustees' report, this project has run into difficulties and therefore all costs incurred to date have been allocated to expenditure.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

13 Intangible fixed assets

	Website costs
	£
Cost	
At 1 January 2021 and 31 December 2021	14,900
	<hr/>
Amortisation and impairment	
At 1 January 2021	4,470
Amortisation charged for the year	2,980
	<hr/>
At 31 December 2021	7,450
	<hr/>
Carrying amount	
At 31 December 2021	7,450
	<hr/> <hr/>
At 31 December 2020	10,430
	<hr/> <hr/>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

14 Tangible fixed assets

	Freehold land	Health & Wellbeing Centre	Fixtures, fittings & equipment	Computers	Motor Vehicles	KIND SEED Centre	Sports area	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 January 2021	593,498	10,927	28,172	24,210	13,600	944,761	25,670	1,640,838
At 31 December 2021	593,498	10,927	28,172	24,210	13,600	944,761	25,670	1,640,838
Depreciation and impairment								
At 1 January 2021	441,942	1,311	20,854	23,579	11,180	944,761	3,850	1,447,477
Depreciation charged in the year	-	219	1,098	631	605	-	2,567	5,120
At 31 December 2021	441,942	1,530	21,952	24,210	11,785	944,761	6,417	1,452,597
Carrying amount								
At 31 December 2021	151,556	9,397	6,220	-	1,815	-	19,253	188,241
At 31 December 2020	151,556	9,615	7,319	631	2,420	-	21,820	193,361

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

14 Tangible fixed assets

(Continued)

Land and buildings, previously capitalised, include expenditure in respect of improvements to two leasehold properties - the KIND SEED Centre and the Health and Wellbeing Centre - which are built upon leasehold land owned by Liverpool City Council.

During a previous year the charity purchased the freehold to the land for the Health and Wellbeing Centre and the KIND SEED Centre from Liverpool City Council.

The leasehold improvements of both the Health and Wellbeing Centre and the KIND SEED Centre had been fully depreciated over the term of the lease and currently have a net book value of £nil. The trustees are considering having a valuation carried out on the land and buildings in the future.

15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	30,923	40,145
Prepayments and accrued income	14,065	290,321
	<u>44,988</u>	<u>330,466</u>

16 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	699,446	676,122
	<u>699,446</u>	<u>676,122</u>
Carrying amount of financial liabilities		
Measured at amortised cost	4,489	4,322
	<u>4,489</u>	<u>4,322</u>

Financial assets measured at amortised cost includes other debtors, accrued income and cash balances.

Financial liabilities measured at amortised cost includes accruals and other creditors.

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	3,649	2,372
Other creditors	721	662
Accruals and deferred income	3,768	3,660
	<u>8,138</u>	<u>6,694</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

18 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				
	Balance at 1 January 2020	Income	Expenditure	Transfers	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
Sponsorship of annual calendar	-	4,140	(4,899)	759	-	3,320	(4,850)	1,530	-
Heritage Lottery	28,460	201,895	-	56,642	286,997	15,672	(306,127)	3,458	-
	<u>28,460</u>	<u>206,035</u>	<u>(4,899)</u>	<u>57,401</u>	<u>286,997</u>	<u>18,992</u>	<u>(310,977)</u>	<u>4,988</u>	<u>-</u>

Sponsorship of annual calendar - contributions towards the calendar. Additional expenditure of £1,530 (2020: £759) for the calendar was funded out of unrestricted funds.

Heritage Lottery - Grant funding towards the Welsh Church Project. 10% plus any VAT on expenditure is to be funded by the charity, £3,459 has been funded from unrestricted funds.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

19 Analysis of net assets between funds

	Unrestricted funds	Unrestricted designated funds	Restricted funds	Total	Unrestricted funds	Unrestricted designated funds	Restricted funds	Total
	2021	2021	2021	2021	2020	2020	2020	2020
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:								
Intangible fixed assets	7,450	-	-	7,450	10,430	-	-	10,430
Tangible assets	188,241	-	-	188,241	193,361	-	-	193,361
Current assets/ (liabilities)	309,660	385,000	-	694,660	219,004	453,738	286,997	959,739
	<u>505,351</u>	<u>385,000</u>	<u>-</u>	<u>890,351</u>	<u>422,795</u>	<u>453,738</u>	<u>286,997</u>	<u>1,163,530</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Transfers	Balance at 1 January 2021	Transfers	Balance at 31 December 2021
	£	£	£	£	£
KIND SEED Centre and Health and Wellbeing Centre	80,000	-	80,000	-	80,000
Wages and salaries	119,622	-	119,622	85,378	205,000
Children's breaks and other projects	47,500	-	47,500	52,500	100,000
The Welsh Church project	133,750	72,866	206,616	(206,616)	-
	<u>380,872</u>	<u>72,866</u>	<u>453,738</u>	<u>(68,738)</u>	<u>385,000</u>

The K.I.N.D. SEED Centre and Health and Wellbeing Centre fund was set up to provide essential maintenance and refurbishment of those buildings.

The wages and salaries fund represents monies set aside which will be used in the event of a decrease in funding. Funds have been transferred from general unrestricted reserves so that the amount set aside should be enough to cover a years worth of staff costs.

The Children's breaks and other project fund which includes an 11 week out of school programme and environmental and social educational programmes represents monies set aside that if in the event of a decrease in funding, the charity would still be able to offer these projects for the next year. Funds have been transferred from general unrestricted reserves so that the amount set aside should be enough to cover the next years worth of projects..

K.I.N.D. was successful with their application to the Heritage Lottery, to renovate the 157 year-old former Welsh Presbyterian Church on Princes Road that is now completely derelict, into a vibrant, sustainable and environmentally friendly centre for the whole community. Up until 2021, any available funds had been set aside for this project. As mentioned in the Trustees' report and note 8, this project has run into some difficulties and the designated funds have been released back to unrestricted funds for future projects.

21 Company limited by guarantee

K.I.N.D. is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

22 Related party transactions

Remuneration of key management personnel

	2021	2020
	£	£
Aggregate remuneration	25,350	17,898

Trustees donated £5,033 during the year (2020: £3,920).

There were no other related party transactions (2020: none).

23 Cash generated from operations

	2021	2020
	£	£
(Deficit)/surplus for the year	(273,179)	338,905
Adjustments for:		
Investment income recognised in statement of financial activities	(775)	(1,384)
Depreciation, impairment of tangible fixed assets and amortisation of intangible fixed assets	8,099	9,175
Movements in working capital:		
Decrease/(increase) in debtors	285,478	(265,196)
Increase/(decrease) in creditors	1,444	(778)
Cash generated from operations	21,067	80,722