

Charity registration number 518985

Company registration number 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 2022

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
Secretary	M Wafer
Charity number	518985
Company number	02108184
Principal address	19 Back Canning Street Liverpool Merseyside L8 7PB
Independent examiner	Anita C Mason BA(Hons) BFP FCA BWM 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 2022**

The trustees present their annual report and financial statements for the year ended 31 December 2022.

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)" (effective 1 January 2019).

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

2022 has been a very busy and full year working with children and families across our Merseyside community.

The Centre

The centre has looked, as ever, wonderful and thanks go to Don, Paul Dixon and Martin Swift for again ensuring that our grounds and bees are immaculate and a great place for our children and families to be.

Programmes

We ran a full 11 weeks of Out of School activities in 2022. All were fully booked and a wonderful time was had by all of the children. We also had a fantastic two weeks at the Red Ridge Outdoor Education Centre. As with all of our programmes, not only do our children have the opportunity of taking part in some amazing activities but also as important they are able to create some positive and happy memories of childhood.

Easter Food Programme

In 2022 we ran our second Easter Food Programme, providing over 200 wonderful, large food hampers to help cover the Easter holidays. The hampers were very well received by all of the families who commented on, not only the quantity, but also the quality of everything in the hamper.

Christmas Appeal

Our Christmas Appeal this year was the most expensive and we ended up spending in the region of £120,000. We worked with over 40 organisations across our community and reached out to thousands of unlucky children and their families with our traditional food hampers, toy parcels and clothing. Thanks to the amazing support of our donors we managed to give our children and families a Christmas to remember and not one to forget.

Practical Help

This is again something that is increasing and is due to the financial restrictions experienced by the Councils. This means that they have very little money to help families who need extra support like beds, white goods and clothing etc.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Welsh Church

Sadly, we have had to completely withdraw from this project. The negativity and lack of any interest in this project from our City Council has meant that we have felt unable to continue. We wish whoever takes over the church the very best of luck.

Conclusion

KIND has again proven to be a lifeline for many, many families from across our community. Our staff team and volunteers have again risen to the demands and have continued with commitment, dedication and hard work to help those children and families in need. They, like our donors, are a real credit to the community that they serve.

Financial review

The charity's income for the year amounted to £407,415 (2021: £490,756). Total expenditure amounted to £438,793 (2021: £763,935). This has resulted in a deficit of £31,378 for the year (2021: deficit of £273,179).

Unrestricted funds (including designated funds) of the charity totalled £858,973 at 31 December 2022 (31 December 2021: £890,351) Restricted funds of the charity totalled £nil at 31 December 2022 (31 December 2021: £nil).

Although the balance sheet shows that there were total unrestricted funds (excluding designated funds) of £758,973 at 31 December 2022, £188,539 of this represents fixed assets, none of which is available to the trustees to defray ongoing running costs. This leaves £570,434 free spendable reserves. The Designated Fund of £100,000 represents funds set aside out of unrestricted funds for spending on wages and salaries in the event of a sudden loss of income.

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.

Plans for the future

2023 will see some major changes at the Charity. As we approach our 50th Anniversary, we will be looking to downsize the Charity in respect of not owning our own centre. Instead we will be working with the partners that we have developed over the years to deliver services and activities in a new and exciting way. We are working in 2023 to develop these new ideas, which will hopefully all be up and running by the end of the year. KIND's priority and efforts will, as always be geared towards ensuring that those children and families in need will be supported. We will aim to ensure that we will continue to make a real difference in many, many young lives by ensuring that our new developments meet these aims.

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

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. 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: 26 May 2023

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022.

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.

Anita C Mason BA(Hons) BFP FCA

BWM
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Dated: 31 May 2023

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	398,676	3,030	401,706	473,134
Charitable activities	4	-	3,266	3,266	15,672
Investments	5	976	-	976	775
Other income	6	1,467	-	1,467	1,175
Total income		401,119	6,296	407,415	490,756
<u>Expenditure on:</u>					
Raising funds	7	-	4,199	4,199	4,850
Charitable activities	8	425,385	-	425,385	452,958
Other	12	-	9,209	9,209	306,127
Total expenditure		425,385	13,408	438,793	763,935
Net income/(expenditure)		(24,266)	(7,112)	(31,378)	(273,179)
Transfers between funds	18	(7,112)	7,112	-	-
Net movement in funds		(31,378)	-	(31,378)	(273,179)
Fund balances at 1 January 2022		890,351	-	890,351	1,163,530
Fund balances at 31 December 2022		858,973	-	858,973	890,351

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 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	3	469,814	3,320	473,134
Activities for generating funds	4	-	15,672	15,672
Investments	5	775	-	775
Other income	6	1,175	-	1,175
Total income		471,764	18,992	490,756
Expenditure on:				
Raising funds	7	-	4,850	4,850
Charitable activities	8	452,958	-	452,958
Other	12	-	306,127	306,127
Total expenditure		452,958	310,977	763,935
Net (expenditure)/income		18,806	(291,985)	(273,179)
Transfers between funds	18	(4,988)	4,988	-
Net movement in funds		13,818	(286,997)	(273,179)
Fund balances at 1 January 2021		876,533	286,997	1,163,530
Fund balances at 31 December 2021		890,351	-	890,351

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	13		4,470		7,450
Tangible assets	14		184,069		188,241
			<u>188,539</u>		<u>195,691</u>
Current assets					
Debtors	16	31,086		44,988	
Cash at bank and in hand		647,283		657,810	
		<u>678,369</u>		<u>702,798</u>	
Creditors: amounts falling due within one year	17	(7,935)		(8,138)	
Net current assets			670,434		694,660
Total assets less current liabilities			<u>858,973</u>		<u>890,351</u>
Income funds					
Restricted funds	18		-		-
<u>Unrestricted funds</u>					
Designated funds	19	100,000		385,000	
General unrestricted funds		758,973		505,351	
			<u>858,973</u>		<u>890,351</u>
			<u>858,973</u>		<u>890,351</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

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 2022.

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 26 May 2023

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 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(11,503)		21,067
Investing activities					
Interest received		976		776	
Net cash generated from investing activities			976		776
Net (decrease)/increase in cash and cash equivalents			(10,527)		21,843
Cash and cash equivalents at beginning of year			657,810		635,967
Cash and cash equivalents at end of year			647,283		657,810

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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 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 2022

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 2022

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.

1.12 Retirement benefits

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

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	398,676	3,030	401,706	440,078	3,320	443,398
Grants receivable	-	-	-	29,736	-	29,736
	<u>398,676</u>	<u>3,030</u>	<u>401,706</u>	<u>469,814</u>	<u>3,320</u>	<u>473,134</u>
Donations and gifts						
Individuals	178,160	-	178,160	114,093	-	114,093
Companies	16,076	-	16,076	28,521	-	28,521
Trusts	45,010	-	45,010	76,625	-	76,625
Schools and church groups	7,085	-	7,085	3,930	-	3,930
Councils	3,470	-	3,470	39,600	-	39,600
Sponsorship of Calendar	-	3,030	3,030	-	3,320	3,320
Investors	13,899	-	13,899	14,120	-	14,120
Gift aid	27,633	-	27,633	30,923	-	30,923
Christmas appeal	94,158	-	94,158	86,447	-	86,447
Awards For All	-	-	-	5,800	-	5,800
Easter/Crisis food programme	13,185	-	13,185	40,019	-	40,019
	<u>398,676</u>	<u>3,030</u>	<u>401,706</u>	<u>440,078</u>	<u>3,320</u>	<u>443,398</u>
Grants receivable for core activities						
Job Retention Scheme	-	-	-	29,736	-	29,736
	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,736</u>	<u>-</u>	<u>29,736</u>

K.I.N.D.
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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4 Activities for generating funds

	Restricted fund 2022 £	Restricted fund 2021 £
Performance related grants	3,266	15,672
	<u> </u>	<u> </u>
Performance related grants		
The Heritage Lottery	3,266	15,672
	<u> </u>	<u> </u>
	<u>3,266</u>	<u>15,672</u>

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	976	775
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Other income	1,467	1,175
	<u> </u>	<u> </u>

Other income of £1,467 (2021: £1,175) relates to a Feed-in Tariff (FIT) payment received from the charity's energy provider.

7 Raising funds

	Restricted funds	Restricted funds
	2022	2021
	£	£
<u>Fundraising</u>		
Other fundraising costs	4,199	4,850
	<u> </u>	<u> </u>
	<u>4,199</u>	<u>4,850</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
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8 Charitable activities

	Centre activities 2022 £	Christmas appeal 2022 £	Crisis food programme 2022 £	Total 2022 £	Centre activities 2021 £	Christmas appeal 2021 £	Crisis food programme 2021 £	Total 2021 £
Staff costs	199,726	-	-	199,726	202,810	-	-	202,810
Depreciation and impairment	7,152	-	-	7,152	8,099	-	-	8,099
Project and centre costs	77,502	-	-	77,502	85,498	-	-	85,498
Christmas Appeal	-	121,896	-	121,896	-	94,574	-	94,574
Easter/Crisis food programme	-	-	13,185	13,185	-	-	56,641	56,641
	<u>284,380</u>	<u>121,896</u>	<u>13,185</u>	<u>419,461</u>	<u>296,407</u>	<u>94,574</u>	<u>56,641</u>	<u>447,622</u>
Share of governance costs (see note 9)	<u>5,924</u>	<u>-</u>	<u>-</u>	<u>5,924</u>	<u>5,336</u>	<u>-</u>	<u>-</u>	<u>5,336</u>
	<u>290,304</u>	<u>121,896</u>	<u>13,185</u>	<u>425,385</u>	<u>301,743</u>	<u>94,574</u>	<u>56,641</u>	<u>452,958</u>
Analysis by fund								
Unrestricted funds	<u>290,304</u>	<u>121,896</u>	<u>13,185</u>	<u>425,385</u>	<u>301,743</u>	<u>94,574</u>	<u>56,641</u>	<u>452,958</u>
For the year ended 31 December 2021								
Unrestricted funds	<u>301,743</u>	<u>94,574</u>	<u>56,641</u>					<u>452,958</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.
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Governance costs	2022	Governance costs	2021
	£	£	£	£
Independent examination fees	1,656	1,656	1,507	1,507
Accountancy	2,484	2,484	2,261	2,261
Legal and professional	1,000	1,000	514	514
Bank charges	784	784	1,054	1,054
	<u>5,924</u>	<u>5,924</u>	<u>5,336</u>	<u>5,336</u>
Analysed between				
Charitable activities	<u>5,924</u>	<u>5,924</u>	<u>5,336</u>	<u>5,336</u>

Total governance costs have been recharged to centre activities.

Governance costs includes payments to the accountants of £1,656 (2021: £1,507) for independent examination fees and £2,484 (2021: £2,261) 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 (2021: £Nil).

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Employees

Number of employees

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

	2022	2021
	Number	Number
Administration	1	1
Environmental and Social Educational staff	6	7
	<u>7</u>	<u>8</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	185,990	188,453
Social security costs	10,104	10,775
Other pension costs	3,632	3,582
	<u>199,726</u>	<u>202,810</u>

Included in wages is redundancy payments of £6,000 (2021: £nil).

There were no employees whose annual remuneration was £60,000 or more (2021: none).

12 Other

	Restricted funds	Restricted funds
	£	
	2022	2021
Welsh Church planning costs	<u>9,209</u>	<u>306,127</u>

Welsh Church expenditure 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.
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

13 Intangible fixed assets

	Website costs
	£
Cost	
At 1 January 2022 and 31 December 2022	14,900
	<hr/>
Amortisation and impairment	
At 1 January 2022	7,450
Amortisation charged for the year	2,980
	<hr/>
At 31 December 2022	10,430
	<hr/>
Carrying amount	
At 31 December 2022	4,470
	<hr/> <hr/>
At 31 December 2021	7,450
	<hr/> <hr/>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022	593,498	10,927	28,172	24,210	13,600	944,761	25,670	1,640,838
At 31 December 2022	593,498	10,927	28,172	24,210	13,600	944,761	25,670	1,640,838
Depreciation and impairment								
At 1 January 2022	441,942	1,530	21,951	24,210	11,785	944,761	6,417	1,452,596
Depreciation charged in the year	-	219	933	-	454	-	2,567	4,173
At 31 December 2022	441,942	1,749	22,884	24,210	12,239	944,761	8,984	1,456,769
Carrying amount								
At 31 December 2022	151,556	9,178	5,288	-	1,361	-	16,686	184,069
At 31 December 2021	151,556	9,397	6,220	-	1,815	-	19,253	188,241

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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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.

15 Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	674,917	699,446
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	4,750	4,489
	<u> </u>	<u> </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.

16 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	27,634	30,923
Prepayments and accrued income	3,452	14,065
	<u> </u>	<u> </u>
	31,086	44,988
	<u> </u>	<u> </u>

17 Creditors: amounts falling due within one year	2022	2021
	£	£
Other taxation and social security	3,185	3,649
Other creditors	610	721
Accruals and deferred income	4,140	3,768
	<u> </u>	<u> </u>
	7,935	8,138
	<u> </u>	<u> </u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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:

	Balance at 1 January 2021	Movement in funds			Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	Income £	Expenditure £	Transfers £	£	Income £	Expenditure £	Transfers £	£
Sponsorship of annual calendar	-	3,320	(4,850)	1,530	-	3,030	(4,199)	1,169	-
Heritage Lottery	286,997	15,672	(306,127)	3,458	-	3,266	(9,209)	5,943	-
	<u>286,997</u>	<u>18,992</u>	<u>(310,977)</u>	<u>4,988</u>	<u>-</u>	<u>6,296</u>	<u>(13,408)</u>	<u>7,112</u>	<u>-</u>

Sponsorship of annual calendar - contributions towards the calendar. Additional expenditure of £1,169 (2021: £1,530) 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, £5,943 (2021: £3,458) 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 2022

19 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 2021	Transfers	Balance at 1 January 2022	Transfers	Balance at 31 December 2022
	£	£	£	£	£
KIND SEED Centre and Health and Wellbeing Centre	80,000	-	80,000	(80,000)	-
Wages and salaries	119,622	85,378	205,000	(105,000)	100,000
Children's breaks and other projects	47,500	52,500	100,000	(100,000)	-
The Welsh Church project	206,616	(206,616)	-	-	-
	<u>453,738</u>	<u>(68,738)</u>	<u>385,000</u>	<u>(285,000)</u>	<u>100,000</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. As the Centre is in the process of being sold post year end, these funds have been released back into general unrestricted funds at the year end.

The wages and salaries fund represents monies set aside which will be used in the event of a decrease in funding. This fund represent approximately one year's worth of wages costs. Due to the charity downsizing in the current year, the amount held in this fund has been adjusted to reflect this and the excess funds have been released back to general unrestricted funds.

Children's breaks and other project fund previously included funds set aside to fund an 11 week out of school programme in the event of a decrease in funding, Going forward K.I.N.D. will be 100% projects based and therefore the funds previously designated are no longer required and have been released back to general unrestricted funds.

A few years ago 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 12, this project has run into some difficulties and the designated funds have been released back to unrestricted funds in the prior year for future projects.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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20 Analysis of net assets between funds

	Unrestricted funds	Unrestricted designated funds	Restricted funds	Total	Unrestricted funds	Unrestricted designated funds	Restricted funds	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:								
Intangible fixed assets	4,470	-	-	4,470	7,450	-	-	7,450
Tangible assets	184,069	-	-	184,069	188,241	-	-	188,241
Current assets/(liabilities)	570,434	100,000	-	670,434	309,660	385,000	-	694,660
	<u>758,973</u>	<u>100,000</u>	<u>-</u>	<u>858,973</u>	<u>505,351</u>	<u>385,000</u>	<u>-</u>	<u>890,351</u>

K.I.N.D.
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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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.

22 Events after the reporting date

As noted in the trustees' report, the charity is in the process of downsizing and selling their current premises. The charity will continue to operate and are looking forward to delivering services and activities in a new and exciting way.

23 Related party transactions

Remuneration of key management personnel

	2022 £	2021 £
Aggregate remuneration	32,436	25,350

Trustees donated £1,820 during the year (2021: £5,033)

There were no other related party transactions (2021: none).

24 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(31,378)	(273,179)
Adjustments for:		
Investment income recognised in statement of financial activities	(976)	(775)
Depreciation, impairment of tangible fixed assets and amortisation of intangible fixed assets	7,152	8,099
Movements in working capital:		
Decrease in debtors	13,902	285,478
(Decrease)/increase in creditors	(203)	1,444
Cash (absorbed by)/generated from operations	(11,503)	21,067