

Charity number: SC038453
Company number: SC326475
(Scotland)

Kingsmeadows Social Enterprises Ltd

Report of the Trustees and Unaudited Financial Statements

For the year ended 30 June 2018

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Kingsmeadows Social Enterprises Ltd
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For the year ended 30 June 2018

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Kingsmeadows Social Enterprises Ltd
Report of the Trustees
For the year ended 30 June 2018

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the Charity for the year ended 30 June 2018. The Trustees have adopted the provisions of 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are to advance the education and work experience of people living in the Scottish Borders who are disadvantaged in the open employment market through learning, physical or other disabilities.

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Kingsmeadows Social Enterprises Ltd
Report of the Trustees Continued
For the year ended 30 June 2018

ACHIEVEMENTS AND PERFORMANCE

Significant activities

The company was incorporated on 28th June 2007 to take over and develop a pilot project "Kingsmeadows Catering" set up by the local authority to provide training places for people with learning difficulties. Now re-branded as the Food Foundation, we offer student placements to gain SQA qualifications and work experience in our professional working kitchen. The aim is for students to boost self-confidence, and self-esteem, to gain qualifications and in turn aid possible future employment or placement opportunities. Each student leaves with a personalised portfolio.

The kitchen supplies wholesale orders for a local cafe and shops. We provide the RVS Social Centre with a two-course hot lunch for its clients three days per week. We also provide Tweeddale Day Services with meals, and we operate "Food & Friendship", a hot meal service where once a week PVG-checked volunteers deliver freshly cooked nutritional hot food and give companionship to older people in Peebles to help them tackle loneliness and isolation and giving them a link to the community.

We provide buffets locally for private or corporate customers and attend networking events to raise funds and awareness of the project. We use fresh produce from the Peebles CAN Community Garden at Victoria Park Centre where possible.

Income generation from the sale of food is essential but secondary to the provision of training young adults who are at a disadvantage in the workplace.

Our online training is provided in conjunction with Flow Hospitality Training. Professionally produced modules have captured the imagination and enabled us to extend the scope of our training and widen our client group. This works alongside practical experience in the kitchen.

We offer flexible courses based on individual needs that are SQA certificated. They are interactive and practical covering the following subjects:

- Customer care
- First Aid Awareness
- Allergen Awareness
- Health and Safety Level 2
- Food Safety Level 2
- Working in the Kitchen
- Service that Sells
- Coffee
- Wine Cask Ales
- The Waiter
- Guest Services
- The Bartender
- The Housekeeper
- The Receptionist

Practical work involves applying this training to working in our kitchen helping to prepare and present sandwiches, cakes, home-made soups, buffets, and hot lunches. This also requires learning to work in a team, coping with working in a busy professional environment, and interacting with peers and chefs. Personal goals relate to timekeeping, independent travel, and improved literacy, numeracy, self-discipline and decision making. These lead to increased confidence and self esteem. Our aim is to make our students work-ready.

We are working with Peebles High School's complex Needs Department, providing 6 students from there with vital work experience and life skills. We and the school are keen that when these students leave school they should undertake our training courses.

Kingsmeadows Social Enterprises Ltd
Report of the Trustees Continued
For the year ended 30 June 2018

FINANCIAL REVIEW

Reserves

The Charity has the power to raise and receive monies in furtherance of the Objects and to invest not immediately required in such investments, securities or property as may be thought fit.

The trustees recognise it is necessary to hold reserves to ensure the Charity is able to respond to, and make the most of market opportunities. The trustees aim to hold reserves in the general fund of at least three months expenditure.

The charity had a deficit of £1,356 on the unrestricted fund. The balance on the unrestricted fund is £38,368. (2017: £39,724)

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

FUNDRAISING

We raise funds from the activities detailed in the significant activities, from local donations, and by applying for external funding. In particular we recognise the support of Harrison Ford Centre Peebles, which has endured since our foundation.

During the year we were successful in obtaining new funding from:

- The Robertson Trust - towards staff costs
- IWT and Peebles Rotary Clubs - for uniforms
- Peeblesshire Charitable Trust - food prepared for our Food and Friendship programme.

Since the year end:

- Impact Funding Partners (formally Voluntary Action Fund) - funding our new programme "Food Foundation Favourites" which started in July 2018
- Peebles High School - supporting the work we are doing with local students.

Related Parties

The company has entered into an agreement with Scottish Borders Council (Social Work) whereby the council will contribute towards some of the costs of the project (in part through the provision of facilities and staff) in exchange for nomination rights to all trainee placements.

Outlook

Without the Service Level Agreement with Scottish Borders Council, we need to continue to seek and obtain significant external funding, in common with many other voluntary organisations. We have had success with this, but much more needs to be done.

Thanks

We thank all our new funders listed above, and we pay tribute to the efforts of all our staff, volunteers, directors and, most of all, our students.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum and articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Recruitment and appointment of trustees

The trustees are volunteers drawn from different backgrounds to ensure that the charity has a mix of business, financial, technical and voluntary sector advice. They do not receive any remuneration for acting as Trustees.

Individuals are invited to become a trustee by existing board members. The board are also made aware of potential trustees from other voluntary bodies.

The company employed five paid staff for most of the year to 30 June 2018.

Kingsmeadows Social Enterprises Ltd
Report of the Trustees Continued
For the year ended 30 June 2018

Charity registration number SC038453
Company registration number SC326475
Principal address Volunteer Resource Centre
School Brae
Peebles
Peeblesshire
EH45 8AL

Trustees

The trustees serving during the year were as follows:

M E Pearson
A I Jenkins
N C Dashwood-Brady - appointed 01/07/2017
I Weir - appointed 01/07/2017
R B Harrison
RMM Tatler - appointed 05/04/2018
J Hardie - appointed 29/05/2018
CR Tatler

Secretary

M E Pearson

Independent examiners

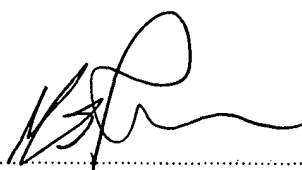
Braidwood Graham Ltd
Chartered Accountants
One Cherry Court
Cavalry Park
Peebles
EH45 9BU

Bankers

Royal Bank of Scotland
4 Eastgate
Peebles
EH45 8SL

Approved by the Board of Trustees and signed on its behalf by

M.E. Pearson.....



25 March 2019

Kingsmeadows Social Enterprises Ltd
Independent Examiners Report to the Trustees
For the year ended 30 June 2018

I report to the trustees on my examination of the accounts of the charitable company for the year ended 30 June 2018.

Responsibilities and basis of report

As the charity trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts carried out under section 44 (1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

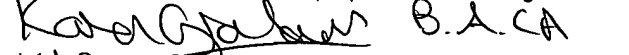

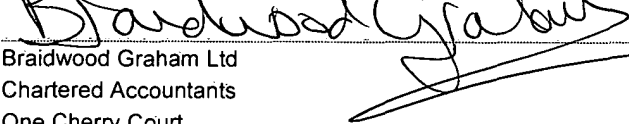
Independent examiners statement

Since the Company is required by law to prepare its accounts on an accruals basis and is registered in Scotland, your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I confirm that I am qualified to undertake the examination by virtue of my membership of, 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 Company as required by section 386 of the 2006 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended); or
2. the accounts do not accord with those records with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view', which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Braidwood Graham Ltd
Chartered Accountants
One Cherry Court
Cavalry Park
Peebles
EH45 9BU

25 March 2019

Kingsmeadows Social Enterprises Ltd
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 30 June 2018

	Notes	Unrestricted funds £	2017 £
Income from:			
Income other than trading	2	62,809	76,543
Trading activities	3	23,998	24,199
Total		86,807	100,742
Expenditure on:			
Raising funds	4/5	(88,165)	(81,247)
Total		(88,165)	(81,247)
Net income/expenditure		(1,358)	19,495
Reconciliation of funds			
Total funds brought forward		39,726	20,229
Total funds carried forward		38,368	39,724

Kingsmeadows Social Enterprises Ltd
Statement of Financial Position
As at 30 June 2018

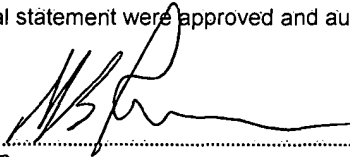
	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	11	2,120	3,308
		2,120	3,308
Current assets			
Stocks	12	1,413	1,450
Debtors	13	3,168	4,642
Cash at bank and in hand		34,626	32,936
		39,207	39,028
Creditors: amounts falling due within one year	14	(2,959)	(2,612)
Net current assets		36,248	36,416
Total assets less current liabilities		38,368	39,724
Net assets		38,368	39,724
The funds of the charity			
Unrestricted income funds		38,368	39,724
Total funds		38,368	39,724

For the year ended 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statement were approved and authorised for issue by the Board and signed on its behalf by:



.....
M E Pearson
Trustee

25 March 2019

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements
For the year ended 30 June 2018

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Kingsmeadows Social Enterprises Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. If parts of the unrestricted funds are deemed as held for a particular purpose, they are designated as a separate fund. The designation has an administrative purpose only and does not legally restrict the trustee's discretion to apply the fund.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds have been raised for particular restricted purposes.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income: Donations and gifts are included within incoming resources under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount can be quantified with reasonable certainty. Donations and gifts in kind (if any) are brought into the accounts at their market value to the charity.

Grants received are recognised when receipt is considered to be certain within the relevant accounting period.

Grants are matched to the relevant expenditure, and recorded in the SOFA or Balance Sheet depending upon the type of expenditure incurred.

Income will be deferred if the expenditure to which it relates is incurred in a future accounting period.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to a particular heading they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Plant and machinery	25 % on reducing balance
Motor Vehicles	20% on cost
Computer equipment	33% on cost

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements Continued
For the year ended 30 June 2018

2. Income other than Trading

	2018	2017
	£	£
Unrestricted funds		
Donations received	14,892	10,942
Grants received	418	2,269
SBC Support Costs	47,499	63,332
	62,809	76,543

3. Income earned from other activities

	2018	2017
	£	£
Unrestricted funds		
Trading Income	23,998	24,199
	23,998	24,199

4. Expenditure on Raising Funds

	2018	2017
	£	£
Unrestricted funds		
Expenditure on generating income	73,475	66,240
Support costs	13,502	13,585
	86,977	79,825

5. Expenditure on other trading activities

	2018	2017
	£	£
Unrestricted funds		
Depreciation	1,188	1,422
	1,188	1,422

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements Continued
For the year ended 30 June 2018

6. Analysis of support costs

	2018	2017
	£	£
Management	12,465	13,141
Finance	125	106
Governance costs	2,100	1,760
	<u>14,690</u>	<u>15,007</u>

Donated Services

The following services were donated in the year:

Rent and other property costs by SBC £8,004

Fuel donated by David Harrison Ltd £1,440

Assistance is provided by a range of volunteers in a variety of areas, in the year to 30 June 2018, the number of volunteer hours spent in the following areas are:

Governance	180
Kitchen support	20
Drivers	20
Admin and finance	300

Total	520
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Volunteers' time has not been quantified in the statement of financial activity.

7. Net income/ (expenditure) for the year

This is stated after charging/ (crediting):

	2018	2017
	£	£
Depreciation of owned fixed assets	1,188	1,422
Accountancy fees	2,100	1,760

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements Continued
For the year ended 30 June 2018

8. Staff costs and emoluments

Total staff costs for the year ended 30 June 2018 were:

	2018	2017
	£	£
Salaries and wages	57,548	51,478
	<u>57,548</u>	<u>51,478</u>
	2018	2017
Kitchen Staff	4	4
	<u>4</u>	<u>4</u>

9. Trustee remuneration and related party transactions

Mr Harrison, a trustee, is a director at David Harrison Ltd. David Harrison Ltd donates fuel for the vehicle used by Kingsmeadows Social Enterprises Ltd. This is estimated to have a value of £1,440. (2017: £1440)

10. Comparative for the Statement of Financial Activities

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

11. Tangible fixed assets

Cost or valuation	Plant and Machinery £	Motor Vehicles £	Computer Equipment £	Total £
At 01 July 2017	4,996	14,126	1,524	20,646
At 30 June 2018	<u>4,996</u>	<u>14,126</u>	<u>1,524</u>	<u>20,646</u>
Depreciation				
At 01 July 2017	2,255	14,126	957	17,338
Charge for year	685	-	503	1,188
At 30 June 2018	<u>2,940</u>	<u>14,126</u>	<u>1,460</u>	<u>18,527</u>
Net book values				
At 30 June 2018	<u>2,056</u>	<u>-</u>	<u>64</u>	<u>2,119</u>
At 30 June 2017	<u>2,741</u>	<u>-</u>	<u>567</u>	<u>3,308</u>

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements Continued
For the year ended 30 June 2018

12. Stocks and work in progress

	2018	2017
	£	£
Stocks of raw materials	1,413	1,450
	1,413	1,450

13. Debtors

	2018	2017
	£	£
Amounts due within one year:		
Trade debtors	3,168	4,642
	3,168	4,642

14. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	822	773
Other creditors	2,137	1,839
	2,959	2,612

16. Analysis of net assets between funds

	Tangible fixed assets	Net current assets / (liabilities)	Net Assets
	£	£	£
Unrestricted funds			
General	2,120	36,248	38,368
	2,120	36,248	38,368

Previous year

	Tangible fixed assets	Net current assets / (liabilities)	Net Assets
	£	£	£
Unrestricted funds			
General	3,308	36,416	39,724
	3,308	36,416	39,724

Kingsmeadows Social Enterprises Ltd
Notes to the Financial Statements Continued
For the year ended 30 June 2018

17. Ultimate controlling party

The Board of Trustees control the company.