

REGISTERED COMPANY NUMBER: 07221470 (England and Wales)
REGISTERED CHARITY NUMBER: 1136377

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
FOR
3SPACE**



DAS Accounting Services Ltd
105 Eade Road
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London
N4 1TJ

3SPACE

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FOR THE YEAR ENDED 31 MARCH 2018**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 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 Republic of Ireland (FRS 102) (effective 1 January 2015).

The Charity is also registered with the Office of Scottish Charity Regulator (OSCR) number SC042130.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects ("Objects") are specifically restricted to the following:

- (1) To promote the efficiency and effectiveness of charities and the effective use of charitable resources for the benefit of the public by providing charities, non-profit or community organisations with access to property in otherwise vacant units on a non-commercial basis; and
- (2) To promote charitable use of property as a means of empowering communities, regenerating areas, developing a robust community sector, supporting social enterprise and delivering public benefit.

Significant activities

The charity's work involves signing short-term, meanwhile use, leases on empty commercial properties, which are then made available to charitable organisations, social enterprises, recognised community groups and qualifying local start-up businesses.

3SPACE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

ACHIEVEMENT AND PERFORMANCE

How our activities deliver public benefit

Our main activities and who we try to help are described below. Our activities focus on providing charities, not for profit organisations and qualifying local start-up businesses with access to properties in which they can carry out their own activities for public benefit.

During the period, the charity provided space to nearly 50 organisations during the period.

Organisations who used our spaces have included registered charities (with a primary focus on education, unemployment, health, sport, start-up business and youth), universities, social enterprises, community groups, qualifying local start-up businesses and local authorities. Projects running in the charity's properties have continued to expand the reach of voluntary and community sector organisations at a time when traditional models of service delivery have been under pressure if not out-of-reach.

A brief summary of activities undertaken by beneficiary organisations during the period is included below:

The charity's most high profile project during the period continued to be Keeton's & Collett, in partnership with landlord Grosvenor. The property, a former college in Bermondsey, is now a workspace and 'Green Lab' (London's first incubator workspace for urban farming entrepreneurs and 'agritech' startup businesses, working to create a new city community for sustainable food innovators).

Keeton's & Collett saw the charity pioneer the 'Buy One Give One' in the property sector, under its BuyGiveWork model. BuyGiveWork means for every desk rental (supplied at below-market rate), one is provided free of charge to a qualifying non-profit, local start-up, or experimental project. This model enables the space to support a wide base of charitable projects and encourages collaboration between locals and non-locals.

The charity took on the site in the summer of 2016, and continues to operate it in December 2018. In August 2018, the charity commissioned Hatch Regeneris, an independent economic consultancy to review and assess the impact of the Keetons & Collett project. During the period, the site's office facilities hosted 47 organizations, 29 of whom were given space free of charge through the BuyGiveWork project.

18 commercial organisations occupied the site via the affordable workspace element of the model (the 'Buy' in BuyGiveWork). These organisations employ 128 people, a figure which grew 40% during the project. 20% of people working from the site were local Southwark residents. The gross economic output (GVA) of the tenants was estimated to be £8 million, with £1 million of the business' supply chain spend occurring within Southwark. 60% of the commercial tenants reported that they believed they would be smaller or not operating without the support of Keetons & Collett's affordable workspace.

29 charitable and social enterprises were supported with free workspace (the 'Give' in BuyGiveWork). All 42 desks available on the site were occupied within five months of the space opening and the charity maintained a 100% occupancy rate during the period. Using the average rate charged to commercial tenants this represents a 'donation' in kind of £63,000 during the period. Occupying charities also reported further social and economic impacts, including 79 regular volunteers, seven trainees and five apprenticeships.

One example is Business Launchpad, a charity that provides support to young entrepreneurs. The charity was able to engage over 150 people via workshops held on the site, provide 1:1 support to over 25 people, four of whom proceeded to set up businesses operating from the site.

Organisations benefiting from the charity's operations included: Refuaid, Business Launchpad, Taylor Bennett Foundation, LifeBeat, Springs of Hope, Somali Elderly Care Home, UK Yimby, Women Talk Real Estate, Action Plus Foundation, Bermondsey Blue BID, English for Action, ONG Africa, Ferodo Bridges, Green Lab, the Restart Project and more.

Further details of additional past projects can be found on the Charity's website.

During the period, the charity has continued to work with and develop its Advisory Panel - a group of experts from the property, regeneration and marketing sectors - who provide advice and direction. 3Space hugely appreciates the time, effort and valuable support generously given by the members of the Panel.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018**

ACHIEVEMENT AND PERFORMANCE

How our activities deliver public benefit

FINANCIAL REVIEW

Investment policy and objectives

Under its Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of operating the charity have maintained a policy of keeping available funds in interest bearing deposit accounts.

Reserves policy

The Trustees aim for the Charity to build up reserves of £20,000, approximately equal to six months of total resources expended.

The financial position at the end of the period was a surplus of £87,982 (2017 - £35,247).

FUTURE PLANS

The charity continues to actively seek to engage additional new partners, both commercial and governmental in order to expand its activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The initial Trustees founded the company due to their interest in the aims of the charity as set out below.

Organisational structure

Trustees meet informally on a regular basis to manage the activities of the charity, which are organised by the executive management committee.

A Trustee is required to sign any property lease that the charity enters into.

Induction and training of new trustees

All Trustees have read the guidance issued by Charity Commission concerning their roles and obligations.

Trustees can retire when they wish as they do not serve under a fixed term.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07221470 (England and Wales)

Registered Charity number

1136377

Registered office

105 Eade Road
OCC Building A
2nd Floor, Unit 11A
London
N4 1TJ

3SPACE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr A J Brown	Property Professional
Mr E R E Cohen	Clinical Research
Mr N D Elliot	Property Professional
Mr W Hyslop	Property Professional

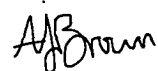
Company Secretary

Mr E R E Cohen

Independent examiner

DAS Accounting Services Ltd
105 Eade Road
OCC Building A
2nd Floor, Unit 11A
London
N4 1TJ

Approved by order of the board of trustees on 31 December 2018 and signed on its behalf by:



Mr A J Brown - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
3SPACE**

Independent examiner's report to the trustees of 3Space ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

Responsibilities and basis of report

As the charity's 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 Companies Act 2006 ('the 2006 Act').

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 as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; 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

Mr Pesach Davidoff
FCCA
DAS Accounting Services Ltd
105 Eade Road
OCC Building A
2nd Floor, Unit 11A
London
N4 1TJ

31 December 2018

3SPACE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 Unrestricted fund £	2017 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		80,481	60,647
Investment income	2	5	4
Total		80,486	60,651
EXPENDITURE ON			
Charitable activities			
Charitable activities		24,624	41,511
Other		3,127	2,507
Total		27,751	44,018
NET INCOME		52,735	16,633
RECONCILIATION OF FUNDS			
Total funds brought forward		35,247	18,614
TOTAL FUNDS CARRIED FORWARD		87,982	35,247

The notes form part of these financial statements

3SPACE

BALANCE SHEET AT 31 MARCH 2018

		2018 Unrestricted fund £	2017 Total funds £
	Notes		
FIXED ASSETS			
Investments	5	100	100
CURRENT ASSETS			
Debtors	6	100,323	43,467
Cash at bank		44,830	19,018
		<u>145,153</u>	<u>62,485</u>
CREDITORS			
Amounts falling due within one year	7	(57,271)	(27,338)
NET CURRENT ASSETS		<u>87,882</u>	<u>35,147</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		87,982	35,247
NET ASSETS		<u>87,982</u>	<u>35,247</u>
FUNDS	8		
Unrestricted funds		87,982	35,247
TOTAL FUNDS		<u>87,982</u>	<u>35,247</u>

The notes form part of these financial statements

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**BALANCE SHEET - CONTINUED
AT 31 MARCH 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 31 December 2018 and were signed on its behalf by:



Mr A J Brown -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared 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' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgments or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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 particular headings 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.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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 are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2018**

2. INVESTMENT INCOME

	2018	2017
	£	£
Deposit account interest	5	4
	<u>5</u>	<u>4</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	60,647
Investment income	4
Total	<u>60,651</u>
EXPENDITURE ON	
Charitable activities	
Charitable activities	41,511
Other	2,507
Total	<u>44,018</u>
NET INCOME	<u>16,633</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	18,614
TOTAL FUNDS CARRIED FORWARD	<u><u>35,247</u></u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2018

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2017 and 31 March 2018	100
NET BOOK VALUE	
At 31 March 2018	100
At 31 March 2017	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

3Space Trading Ltd

Nature of business: Co-ordination and management of property

	% holding
Class of share:	
Ordinary	100

	2018 £	2017 £
Aggregate capital and reserves	9,629	24,513
(Loss)/profit for the year	(14,519)	13,368

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Amounts owed by group undertakings	95,860	39,110
Other debtors	4,357	4,357
Prepayments	106	-
	100,323	43,467

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	26	2,305
Other creditors	28,960	17,660
Accrued expenses	28,285	7,373
	57,271	27,338

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2018

8. MOVEMENT IN FUNDS

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted funds			
General fund	35,247	52,735	87,982
TOTAL FUNDS	<u>35,247</u>	<u>52,735</u>	<u>87,982</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	80,486	(27,751)	52,735
TOTAL FUNDS	<u>80,486</u>	<u>(27,751)</u>	<u>52,735</u>

Comparatives for movement in funds

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted Funds			
General fund	18,614	16,633	35,247
TOTAL FUNDS	<u>18,614</u>	<u>16,633</u>	<u>35,247</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,651	(44,018)	16,633
TOTAL FUNDS	<u>60,651</u>	<u>(44,018)</u>	<u>16,633</u>

9. RELATED PARTY DISCLOSURES

During the year the company received donations of £80,481 (2017 - £34,000) from its subsidiary company 3Space trading limited.

At the balance sheet date, the company was owed £95,860 (2017 - £39,110) from 3Space Trading Limited; this was received in full shortly after the year end.

3SPACE

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018**

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
General donations	-	26,648
Subsidiary donations	80,481	33,999
	<u>80,481</u>	<u>60,647</u>
Investment income		
Deposit account interest	5	4
	<u>5</u>	<u>4</u>
Total incoming resources	80,486	60,651
EXPENDITURE		
Charitable activities		
Rates and service charges	22,400	38,884
Support costs		
Management		
Insurance	532	606
Telephone	1,258	1,185
	<u>1,790</u>	<u>1,791</u>
Finance		
Bank fees	60	80
Other		
Computer expenses	374	756
Governance costs		
Accountancy fees	3,127	2,507
	<u>3,127</u>	<u>2,507</u>
Total resources expended	27,751	44,018
	<u>27,751</u>	<u>44,018</u>
Net income	<u>52,735</u>	<u>16,633</u>

This page does not form part of the statutory financial statements