

## **Centre 56 Limited**

Report and Financial Statements

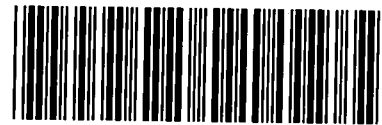
Year Ended

31 March 2018

Company Number 1307825

Charity Registration Number 502933

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# **Centre 56 Limited**

## **Report and financial statements for the year ended 31 March 2018**

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### **Reference and administrative details**

#### **Trustees**

M O'Brien  
Dr M R Birkett  
S Harrison  
G Kelly  
A L Russell

#### **Secretary**

M O'Brien

#### **Registered office**

The Foundry, 42 Henry Street, Liverpool, England, L1 5AY

#### **Charity number**

502933

#### **Company number**

1307825

#### **Auditor**

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

#### **Bankers**

Unity Trust, Nine Brindley Place, 4 Oozells Square, Birmingham, B1 2HB

# Centre 56 Limited

## 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 present their report together with the financial statements of the charity for the year ended 31 March 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's governing document, applicable law and the requirements of Accounting and the Charities SORP (FRS 102) effective 1 January 2015.

### Structure, Governance and Management

#### *Constitution*

The Charity is a company limited by guarantee and is registered as a Charity with the Charity Commission. The affairs of the Charity are governed by its Memorandum and Articles of Association. The organisation was registered as a charity on 14 January 1973 and was incorporated as a charitable company limited by guarantee on 12 April 1977.

#### *Organisational Structure*

The Trustees, who are also the directors for the purpose of company law, who served during the year were:

M O'Brien	
Dr M R Birkett	(appointed 24 January 2018)
S Harrison	(appointed 24 January 2018)
R Jones	(resigned 1 February 2018)
G Kelly	(appointed 24 January 2018)
G Murden	(resigned 1 February 2018)
A L Russell	(appointed 24 January 2018)
G Steel	(resigned 1 February 2018)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees are responsible for the finances and general forward planning of The Centre and managers deliver the day to day decision making. The Trustees discuss monthly outcomes and practices relating to the overall running of the service, including actual against budget at regular Board Meetings. Ideas and opportunities consultation is completed with the staff, parents and children. This information is collated to support the Trustees in making strategic decisions.

#### *Policies adopted for the induction and training of Trustees*

A matrix system is used to assess the skills of potential new trustees as it is essential that the Board has trustees with a wide range of skills and backgrounds. Prospective trustees complete an application form, interview and induction process before confirming appointment. This involves attending trustee meetings on an observational, non-voting, basis and spending time at the Centre familiarising themselves with workings of - the organisation, its staff and families.

#### *Arrangements for setting pay and remuneration for key management personnel*

The Trustees regularly review the remuneration of senior staff in line with NJC scales and guidelines.

# Centre 56 Limited

## Report of the trustees for the year ended 31 March 2018 (*continued*)

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### *Related parties*

During the year, Centre 56 Limited joined the Regenda Group. Regenda has the right to appoint members to the board of the company and thereby exercises control over them. The net assets at acquisition were £86k and as no consideration was paid, a gain on acquisition of Centre 56 Limited is reported in the statement of consolidated income of Regenda Limited.

### **Objectives and Activities**

The Centre's objectives are to assist families who are in necessitous circumstances, in particular those families who have suffered from abuse or maltreatment in their homes and/or communities.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit. The Charity's objectives are as follows: To

- Gather information into the causes and ways of preventing or relieving the suffering caused by grave or persistent maltreatment and publish the facts found by such means as may be proper in order to educate the public.
- Seek the widest possible publicity for the problems of maltreated families.
- Assist with continuous care and support in close cooperation with Statutory Authorities, Social Agencies, Housing Associations and Professional Services.
- Ensure legal and other professional advice is provided when required.
- Arrange educational and play facilities for the children including remedial help when needed.
- Assist wherever possible in obtaining the reconciliation of relationships and the restoration of normal family life.
- Provide meeting places to which families and individuals can come for aid and advice.
- Work within and support the Local Authorities' Domestic Abuse reduction strategy.

### *Strategies and activities for achieving objectives*

In order to achieve its objectives The Centre is in the process of updating its website whilst continuing to provide domestic abuse awareness sessions to individuals, organisations and statutory agencies, who may request this service.

The Centre had 4 directors who have between them a wealth of experience. It is hoped that, with their leadership; the employees' creative ideas and the new challenges on the horizon; that this will broaden and enhance the skill set of all involved. We hope to meet the strategic needs of The City by providing our established well known service in a diverse and demanding area of North Liverpool. By working in partnership with stakeholder agencies the aim is to reduce the number of domestic abuse cases in the city and educate local communities on the long term damage domestic abuse has on society.

# Centre 56 Limited

## Report of the trustees for the year ended 31 March 2018 *(continued)*

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Centre 56 is located in Kirkdale which is one of the most deprived wards in the City and has been the focus of many regeneration initiatives in recent years. In some areas there have been considerable improvements; however there remain considerable housing, health and unemployment issues in The Ward which will require long-term solutions. The Centre has, in the past delivered Positive You Courses for women and an ESOL course for parents, this has now ceased due to funding restrictions. This has empowered the parents to return to work or further training. The focus has been to support families who have chaotic lives to provide support and guidance and also help them improve their parenting skills following the traumatic impact domestic abuse has on their lives and worked closely with the Refuges and Family Hostels. More and more we have been supporting Just Coping families who are in work with Nursery provision; After School Club; pick up service.

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

The Centre's 3 year Big Lottery Reaching Communities Grant ended during the year. A submission has been made to the Big Lottery for a further 3 year grant, which has assessed stage 1 and is currently at stage 2 of the award process.

The Play Services are led by a Senior Manager to OFSTED standard who manages the Nursery and After School Club, an addition of a pilot 'Stay & Play' scheme was re-instated as requested by the community.

The Trustees plan to build services to reflect local priorities based on the following:-

1. Continue to connect with the purpose built refuge provision which currently has no dedicated play area and continue to provide the support to help children through the difficult transition from leaving home to establishing a new safe life
2. Connect with the Children Centre's to support single parents and families who have very chaotic lives but need support to enable them to improve their skills - our provision will provide a safe environment for children and families to grow their skills and improve their employment prospects
3. Provide good quality, safe, educational nursery provision and after school provision
4. Involve the children and families in planning trips to experience "what it means to be a child" i.e. going to the theatre, days out in the countryside, museum visits and visits to places of interest in the North West, for example Blackpool, whilst learning to rebuild their lives
5. Work with Housing Associations and neighbourhood services to support their work around complex families in terms of helping provide guidance on parenting skills and using play as a way of improving the parent's roles. Building self confidence and self esteem to enable them to deal with difficult and chaotic situations
6. Work with organisations to educate on Domestic Abuse and the effect it can have on the workforce

The trustees of Centre 56 Ltd are committed to updating policies and procedures in line with the changing needs of the children, parents and families.

# Centre 56 Limited

## Report of the trustees for the year ended 31 March 2018 (continued)

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### Achievements and performance

The organisation has now been in this purpose built nursery building which Centre 56 acquired by negotiation with Liverpool City Council since December 2011. Both the nursery and the after school club have waiting lists.

The Board of Trustees agreed to fund a chef to provide a hot dinner for the nursery children, plus a hot snack for the after school children. With the support of LMH the Centre now provides a breakfast club, children have a choice of different options, including themed mornings. The children are continuing to enjoy this experience and trying out different foods.

A mum from the local community fund raised at the local shops and organised a family fun day at the Centre, which proved to be a success, many of the community helped out, lending us music systems, popcorn machines, face painters and volunteering on the refreshment, tombola and clothing stalls.

In order to work effectively the Centre is in close contact with a number of agencies both voluntary and statutory, which they would like to thank, including:

Alder Training  
Big Lottery Reaching Communities Fund  
Bully Busters  
Cash for Kids - Radio City  
Community Groups  
Faith Groups  
Rachel Flood  
Health Visitors  
Hemby Trust  
HMRC Passport Office  
Hugh Baird Further Education College  
Jaguar Halewood  
Johnsons Halewood  
John Moore's Foundation  
Mark Jones - Website site provider  
Liverpool City Council  
Liverpool Mutual Homes  
Liverpool Schools  
Liverpool Soroptimists International  
Liverpool Voluntary and Community Services (LVCS)  
MDL Systems – IT Support  
Mayor's Hope Fund  
Merseyside Police  
Regenda  
The Royal Liverpool Hospital (ISS)  
Together Travel  
Speke/Garston Minibus Agency  
St James Church; Woolton  
WETRA  
Malcolm Williams  
YMCA

# **Centre 56 Limited**

## **Report of the trustees for the year ended 31 March 2018 (continued)**

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### **Achievements and performance (continued)**

The Centre continued to offer placements to various organisations including local schools two week work experience.

The Centre continues to contribute to various Merseyside wide multi agency groups including Merseyside Police Consortium. Merseyside Police Commission supported this organisation to commission Liverpool Collaboration Hub to deliver an independent Dispersed Refuge and Tenancies Project Feasibility Study.

Christmas remains a huge success with the help and support and generous donations from individuals, the wider community and local organisations. Each child received a toy at Christmas with donations from Cash for Kids; Union of Catholic Mothers'; St James Church and E Billington. The children all received a gift for Christmas and a gift for each mum from the Soroptimists. Cash for Kids continue to support the Centre by providing gifts for the Children at Christmas, plus other treats during the year, such as trips. The Passport Office continues to donate toiletries. The Royal Orange Institution of England donated toys, chocolates and toiletries.

LCVS supported the organisation by delivering evaluation and consultation with the children, families and outside agencies and has produced a final end of project report.

Centre 56 has a partnership agreement with CAB and a local solicitor to deliver surgeries at the Centre, when requested, which have really helped families.

### **Financial review**

The Centre income totalled £108,358 (2017: £183,598) for the year. Liverpool City Council was the Centre's main, source of income contributing £70,565. Other charitable grants and donations totaling £37,793 (2017: £118,004) were also received from various organisations. Expenditure totalled £189,535 (2017: £216,321) which resulted in an overall deficit for the year of £81,177 (2017: £32,723).

### **Reserves Policy**

The Trustees have considered the quantum of reserves which they consider should be held by the charitable company and agreed the following:

- The Trustees seek to maintain the general reserve of the charitable company at a level sufficient to cover three months worth of running expenditure. During the whole of the year unrestricted reserves were at least this amount, but with the uncertainty in funding this may not be the case going forward.
- A redundancy fund was set up in previous years following uncertainty about the future of the charity. The fund has now been released into general reserves now that Centre 56 have joined the Regenda Group as well as securing Big Lottery funding for the next three years.
- The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Investment Policy**

The Trustees regularly review where the charity's funds are invested and new accounts including fixed term deposits are opened periodically in order to ensure a competitive return is received.

### **Fundraising**

The Centre does not have significant fundraising activity.

# Centre 56 Limited

## Report of the trustees for the year ended 31 March 2018 (continued)

### Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they 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 charity for that year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against loss or unauthorised use and to prevent and detect fraud and other irregularities.

### Statement as to Disclosure of Information to Auditors

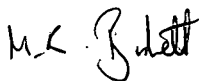
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditor

BDO LLP were appointed as auditors during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies regime

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.



**Dr M R Birkett**  
Trustee

20<sup>th</sup> September 2018



# Centre 56 Limited

## Independent auditor's report to the members of Centre 56 Limited

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### Opinion

We have audited the financial statements of Centre 56 Limited ("the Charitable Company") for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Annual Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **Centre 56 Limited**

## **Independent auditor's report to the members of Centre 56 Limited**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Report of the Trustees, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime; or
- were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

# Centre 56 Limited

## Independent auditor's report to the members of Centre 56 Limited

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### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

**Hamid Ghafoor** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Manchester, UK 24/09/2018.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Centre 56 Limited

## Statement of Financial Activities (including an income and expenditure account) for the year ended 31 March 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>					
Donations	3	11,303	-	11,303	10,542
Charitable activities:	4	-	97,055	97,055	172,932
Investments	5	-	-	-	124
<b>Total</b>		<b>11,303</b>	<b>97,055</b>	<b>108,358</b>	<b>183,598</b>
<b>Expenditure on:</b>					
Charitable activities	6	67,422	122,113	189,535	216,321
<b>Total</b>		<b>67,422</b>	<b>122,113</b>	<b>189,535</b>	<b>216,321</b>
<b>Net income/(expenditure)</b>	7	<b>(56,119)</b>	<b>(25,058)</b>	<b>(81,177)</b>	<b>(32,723)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(56,119)</b>	<b>(25,058)</b>	<b>(81,177)</b>	<b>(32,723)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	11	76,993	69,477	146,470	179,193
<b>Total funds carried forward</b>	11	<b>20,874</b>	<b>44,419</b>	<b>65,293</b>	<b>146,470</b>

All activities derive from continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

# Centre 56 Limited

## Balance Sheet at 31 March 2018

Company Registration No. 1307825 (England and Wales)

	Note	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets</b>					
Tangible assets	9		519		692
<b>Current assets</b>					
Cash at bank and in hand		68,507		156,141	
				156,141	
<b>Creditors: amounts falling due within one year</b>	10	(3,733)		(10,363)	
<b>Net current assets</b>			64,774		145,778
<b>Total assets less current liabilities</b>			65,293		146,470
<b>Net assets</b>			65,293		146,470
<b>Funds of the charity:</b>					
Unrestricted funds:					
- General fund	11	20,874		26,971	
- Designated fund	11	-		50,022	
			20,874		76,993
Restricted funds			44,419		69,477
<b>Total charity funds</b>			65,293		146,470

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved and authorised for issue by the Trustees on 20<sup>th</sup> September 2018 and signed on their behalf by

*M. R. Birkett*

**Dr M R Birkett**  
Trustee

The notes on pages 13 to 22 form part of these financial statements.

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018

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### 1 General information

Centre 56 Limited is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in Reference and administrative details. Details of the charity's operations are provided in the Report of the Trustees.

### 2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### *Basis of preparation of the accounts*

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Centre 56 Limited meets the definition of a public benefit entity under FRS 102.

#### *Financial reporting standard 102 – reduced disclosure exemptions*

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- The requirements of Section 4 Statement of Financial Position paragraph a.12(a)(iv);
- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d)
- The requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii); 11.48(a)(iv), 11.48(b) and 11.48(c);
- The requirements of Section 12 Other Financial instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Regenda Group as at 31 March 2018 and these financial statements may be obtained from its registered office: The Foundry, 42 Henry Street, Liverpool, L1 5AY.

#### *Going concern*

The charity's business activities, its current financial position and factors likely to affect its future development are set out within the Report of the Trustees. The charity has in place adequate resources to deliver its objectives as well as to fund day to day operations.

On this basis, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (*continued*)

### 2 Accounting policies (*continued*)

#### *Income*

All income is accounted for on a receivable basis. Any grants whose use is restricted by the grantor to some future accounting period are accounted for as deferred income until the restriction has been satisfied.

Income from investments represents interest from bank deposits. Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

Any voluntary income received by way of donations and gifts is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers is not included.

#### *Expenditure*

All expenditure is included in the accounts on the accruals basis and includes attributable irrecoverable VAT.

Governance costs are those costs that relate to the general running and strategic management of the charity as opposed to those associated with the day to day management and charitable activities.

#### *Fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Fixtures fittings & equipment - 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

#### *Creditors*

Short term trade creditors are measured at the transaction price.

#### *Funds*

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

#### *Taxation*

As a registered charity the company is generally exempt from Corporation Tax and Capital Gains Tax on its charitable activities, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

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### 2 Accounting policies (continued)

#### *Pensions*

Contributions in respect of the charity's defined contribution pension scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. The assets of the scheme are held separately from those of the charity in a separately administered fund.

#### *Deferred Income*

The receipt in advance of a grant for expenditure that must take place in a future accounting period has been accounted for as deferred income and recognised as a liability.

#### *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.

#### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In preparing these financial statements, the trustees have made the following judgements:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually.



# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 3 Income from donations

	2018 £	2017 £
Donations and gifts	10,250	10,250
Other	1,053	292
	<u>11,303</u>	<u>10,542</u>

All income from donations in the current and prior year was unrestricted.

### 4 Income from charitable activities

	2018 £	2017 £
Revenue grants:		
- Big Lottery Fund	8,829	102,091
- Liverpool City Council	70,565	65,470
- Positive About Play	3,969	1,800
- Other grants	13,692	3,571
	<u>97,055</u>	<u>172,932</u>

Total income from charitable activities for the year was £97,055 (2017: 172,932) of which £Nil (2017: £64,588) was unrestricted and £97,055 (2017: £108,344) was restricted funds.

### 5 Income from investments

All income from investments in the current and prior year was unrestricted.

# Centre 56 Limited

**Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)**

## 6 Expenditure on charitable activities

	2018 £	2017 £
Staff Costs	138,326	166,410
Nursery, PIVVY and outings	10,914	7,565
Insurance	2,964	2,875
Heat, light and central heating	5,271	3,911
Rent and rates	13,606	13,583
Cleaning	1,555	1,946
Repairs and renewals	6,445	6,756
Sundry expenses	2,877	3,598
Transport running costs	1,071	1,643
Professional fees	3,973	4,215
Staff training	557	1,148
Office administration	220	377
Telephone	1,185	1,452
Bank charges and interest	398	611
Depreciation	173	231
	<u>189,535</u>	<u>216,321</u>

Total expenditure on charitable activities for the year was £189,535 (2017: £216,321) of which £67,422 was unrestricted (2017: £106,624), £122,113 was restricted funds (2017: £109,697).

## 7 Net income/(expenditure)

	2018 £	2017 £
This is stated after charging:		
Depreciation of owned fixed assets	173	231
Auditors' remuneration	3	-
Independent Examiners fee	1,485	1,206
	<u>1,661</u>	<u>1,437</u>

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 8 Staff costs and emoluments

	2018 £	2017 £
Gross salaries	130,702	158,337
Employer's National Insurance	4,696	7,665
Pension costs	747	408
	<u>136,145</u>	<u>166,410</u>

The average number of employees (full time equivalent), analysed by function was:

	2018 No.	2017 No.
Nursery staff	10	12
Management and administration	3	4
	<u>13</u>	<u>16</u>

There were no employees with emoluments in excess of £60,000 per annum (2017: £Nil).

Neither the trustees nor any persons connected with them have received any remuneration, either in the current year or the prior year. No trustees received any expenses in the year (2017: £Nil).

Key management personnel of the charity comprise the trustees, CEO (2017 only), Nursery and Deputy Nursery Managers. The total employee benefits of the key management personnel were £53,204 (2017: £91,880).

# Centre 56 Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (*continued*)

## 9 Tangible fixed assets

	Fixtures, Fittings & Equipment £	Total £
<i>Cost</i>		
At 1 April 2017	25,037	25,037
At 31 March 2018	25,037	25,037
<i>Accumulated depreciation</i>		
At 1 April 2017	24,345	24,345
Charge for the year	173	173
At 31 March 2018	24,518	24,518
<i>Net book value</i>		
At 31 March 2018	519	519
At 31 March 2017	692	692

## 10 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals	3,733	1,534
Deferred income	-	8,829
	<b>3,733</b>	<b>10,363</b>

Deferred income comprises of Big Lottery funding received in 2016/17. The award covered the period June 16 to May 17 resulting in a deferred income provision of £8,829.

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 11 Funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers (to)/from £	Balance at 31 March 2018 £
<b>Unrestricted - General</b>	26,971	11,303	(67,422)	50,022	<b>20,874</b>
<b>Unrestricted - Designated</b>					
- Redundancy	50,022	-	-	(50,022)	-
<b>Total unrestricted funds</b>	<b>76,993</b>	<b>11,303</b>	<b>(67,422)</b>	<b>-</b>	<b>20,874</b>
<b>Restricted funds</b>					
- Family Support	21,426	8,829	(30,255)	-	-
- Liverpool City Council	-	70,565	(70,565)	-	-
- Liverpool Football Club	41,189	-	-	-	<b>41,189</b>
- Liverpool John Moores University	-	5,000	(5,000)	-	-
- Other grants	6,862	12,661	(16,293)	-	<b>3,230</b>
<b>Total restricted funds</b>	<b>69,477</b>	<b>97,055</b>	<b>(122,113)</b>	<b>-</b>	<b>44,419</b>
<b>Total charity funds</b>	<b>146,470</b>	<b>108,358</b>	<b>(189,535)</b>	<b>-</b>	<b>65,293</b>

#### Unrestricted general funds

Funds which are available for use or retention at the discretion of the directors, in accordance with the trust's objects.

#### Unrestricted – designated funds

Funds which are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

#### Restricted funds

- Family Support – funding specifically for away days and fun activities for families
- Liverpool City Council - early years funding depending on age and circumstances of children
- Liverpool Football Club – for improvements on the outside area of Centre 56
- Liverpool John Moores University – funding towards staffing of Centre 56
- Other grants – funding specifically for away days and fun activities for families

# Centre 56 Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 11 Funds – previous year (continued)

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers (to)/from £	Balance at 31 March 2017 £
<b>Unrestricted - General</b>	58,341	75,258	(106,628)	-	26,971
<b>Unrestricted - Designated</b>					
- Redundancy	50,022	-	-	-	50,022
<b>Total unrestricted funds</b>	<u>108,363</u>	<u>75,258</u>	<u>(106,628)</u>	<u>-</u>	<u>76,993</u>
<b>Restricted funds</b>					
- Family Support	16,211	102,090	(96,876)	-	21,425
- LCC degree course	776	-	(776)	-	-
- LCC building grant	820	-	(820)	-	-
- Liverpool Football Club	41,189	-	-	-	41,189
- Awards For All	1,008	-	(1,008)	-	-
- Other Grants	10,826	6,250	(10,213)	-	6,863
<b>Total restricted funds</b>	<u>70,830</u>	<u>108,340</u>	<u>(109,693)</u>	<u>-</u>	<u>69,477</u>
<b>Total charity funds</b>	<u>179,193</u>	<u>183,598</u>	<u>(216,321)</u>	<u>-</u>	<u>146,470</u>

# Centre 56 Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 12 Analysis of net assets between funds

At 31 March 2018	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	519	-	519
Net current assets	20,355	44,419	64,774
	<u>20,874</u>	<u>44,419</u>	<u>65,293</u>
At 31 March 2017	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	692	-	692
Net current assets	73,965	71,813	145,778
	<u>74,657</u>	<u>71,813</u>	<u>146,470</u>

## 13 Related party transactions

The charity is a wholly owned subsidiary of Regenda Group and has taken advantage of the available exemption conferred by section 33.1A of FRS 102 not to disclose transactions with group members due to consolidated accounts being publicly available.

## 14 Controlling party

The company's immediate and ultimate parent company is Regenda Limited who acquired Centre 56 Limited on 25 January 2018.

As at 31 March 2018, the largest and smallest group in which the results are consolidated is that headed by Regenda Limited. The consolidated accounts of the company are available to the public and may be obtained from its registered office: The Foundry, 42 Henry Street, Liverpool, L1 5AY. No other group accounts include the results of the company.