

**'ALL ABOARD' SHOPS LIMITED**  
**DIRECTORS' AND TRUSTEES' REPORT**  
**AND ACCOUNTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2016**



**Company No: 02571767**  
**Charity No: 1125462**

# **'ALL ABOARD' SHOPS LIMITED**

## **REPORT AND ACCOUNTS**

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# **'ALL ABOARD' SHOPS LIMITED**

## **DIRECTORS' AND TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31ST DECEMBER 2016**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st December 2016, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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).

#### **OUR PURPOSE AND ACTIVITIES**

The principal aims and objectives of the Charity are to operate retail shops. The profits from such operations being donated for the benefit of UK Charities and to promote the ideals of recycling and working for a cleaner and healthier environment.

1. The protection and preservation of the environment for the public benefit is:
  - a) the promotion of waste reduction, re-use reclamation, use of recycled products and the use of surplus items
  - b) advancing the education of the public about all aspects of waste generation, waste management and waste re-cycling
2. To make grants to such registered charities in accordance with the law for England and Wales, as the Trustees see fit.

#### **The role and contribution of volunteers**

The number of Volunteer Hours contributed to the charity in 2016 is 26,536 – an increase over 2015 volunteer hours at 26,481 hours. 152 volunteers helped the charity this year.

#### **Public Benefit statement**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

#### **Grant making policy**

The Board of Trustees allocates donations to charities selected on the basis of need and their contribution to the community. It is the intention of the charity to set up a small committee made up from the Trustees and all charities seeking grants will submit formal applications. These will be considered by the committee, taking into account the nature of the applicant, the reason for the grant, how it will be spent and the confidence the Trustees have in the management of the applicant to deliver in accordance with the application.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

'All Aboard' Shops Limited is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 4<sup>th</sup> January 1991 and registered as a charity on 11<sup>th</sup> August 2008. It is a registered charity constituted as a limited company under the Memorandum and Articles of Association. The Charity's registration number is 1125462 and the company registration number is 02571767.

#### **Recruitment and appointment of Trustees**

As set out in the Articles of Association, the Chair of the Trustees is nominated by existing Trustees. The Directors of the organisation are also the Charity's Trustees for the purposes of charity law.

The Board of Trustees has the power to appoint additional Trustees as it considers fit to do so.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 each in event of winding up.

# **'ALL ABOARD' SHOPS LIMITED**

## **DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**

### **FOR THE YEAR ENDED 31ST DECEMBER 2016**

#### **Trustee induction and training**

The Trustees recognise the importance of maintaining a good working knowledge of charity and company law and best practise by reading appropriate publications and attendance at charity and company courses run by outside providers.

New Trustees are given copies of the Memorandum and Articles of Association.

#### **Organisation**

The Board of Trustees, which comprises six members, administers the Charity. The Board meets periodically to review the affairs of the Charity and to consider strategies and operations. To facilitate activities, the Board have delegated authority, within terms of delegation approved by the Trustees, for operational matters including financial, employment and other related activities. All decisions relating to strategy and policy are made by the Board of Trustees.

#### **Key management personnel remuneration**

The remuneration of key management personnel is determined in the first instance by the CEO and subsequently approved by the Board. There are regular appraisals between the CEO and key personnel during which individual performance criteria are established and a mechanism for measurement agreed.

#### **Related Parties**

The Charity does not have relationships with related parties or other charities and organisations with which it co-operates in pursuit of its charitable objectives.

#### **Risk management**

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.
- Investment risk is minimised by the holding of surplus monies in recognised and stable bank deposits.

### **ACHIEVEMENTS AND PERFORMANCE**

2016 saw the appointment of a new CEO and a change of strategic direction by the charity to help "future proof" the organisation against the increasingly difficult trading conditions being felt not only by us but also across the sector as a whole. With the increases in the Minimum wage (continuing over the next few years), the ever increasing rents and the removal of a rate relief grant (2 year government initiative), the charity's ability to continue to make large meaningful distributions was becoming ever more difficult.

At the back end of 2015 and early 2016 a strategic review was carried out and it was decided by the Board that the only way forward was to centralise sorting of donations and distributions centrally to the shops. This meant staffing numbers could be reduced significantly in shops reducing the salary costs of the organisation. The model was tested in 8 shops in Q2/Q3 and has proved to be successful and will be rolled out to the remaining shops early 2017. This will allow the charity to reduce costs not only on staffing, but also on waste collection.

Trading conditions remained difficult in 2016 with 2 of our top historically performing shops affected, the first by long term road works and the second a ceiling collapse. The latter resulting in the shop being closed for some 3 months (Insurance Claim ongoing).

#### **Successes have been:**

- The development of the Ebay business which has shown a steady increase in income and a global customer base with a 100% positive feedback, Ebay top seller and Ebay power seller.
- "Pop up" shops. We have attended prestigious events such as the Vintage Car Fair at St Pancras and the Christmas Fayre at the Southbank Centre. It is our intention to do more of these events in 2017 to generate extra income and promote the brand more widely. The introduction of a central processing warehouse makes Pop up shops much more cost effective to organise and source stock.

**'ALL ABOARD' SHOPS LIMITED**  
**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2016**

- M&S Spark Something Good Campaign saw M&S do a mini makeover on our Paddington shop. It was a major coup to have such a significant retailer support All Aboard and this will hopefully lead to other opportunities and collaborations in the future.
- The CEO raised over £2,000 by running in a 10k run for charity. This raised the profile of the charity and hopefully will lead others to be motivated to fundraise on the charity's behalf.

We have made a number of significant savings to the business centrally in 2016. The CEO along with the Financial Controller have looked at all of our cost centres and have negotiated significant long term savings on Fleet (Vans), IT, Telephone and Insurance premiums.

#### **FINANCIAL REVIEW**

The Statement of financial Activities showed a net deficit, after distributions of £120,751 (2015 surplus - £113,048) for the year and reserves stand at £194,581 (2015 - £315,332).

During the year 2016 the Charity made donations of £3,175 (2015 - £12,085) to UK Charities.

#### **Principal Funding Sources**

Principal funding sources are sale of donated goods through the Charity's shops.

#### **Investment powers and policy**

The Memorandum and Articles of Association authorises the Trustees to make and hold investments using the general funds of the Charity. The trustees have the power to invest in any way that they see fit.

#### **Reserves policy**

At the Balance Sheet date, the charity's reserves were under £200,000, which represents only one month's running costs. The Trustees have set the ideal level of reserves at £275,000, which is equivalent of 2 months overheads on the basis of the completed reorganisation. This will be reviewed at the next year end.

#### **FUTURE PLANS AND DEVELOPMENTS**

A new Volunteer recruitment, Induction and training package has been developed in Q4 and will be rolled out across the business in early 2017. Volunteers are a key part to the future success of this charity and as such should have the proper resource, tools and support.

2017 will be no less challenging and difficult for the charity. Generating enough saleable stock for the new model will remain challenging. Trading will still be difficult with more competition and increased costs. However, All Aboard have taken steps to increase the efficiency in its shops, provide centrally sorted and targeted shop specific stock, build on the success of its Ebay model and intend to do more "Pop Up" shops and "roll out" the new Volunteer strategy.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Number:** 02571767

**Charity Number:** 1125462

#### **Directors and Trustees**

I H Brecker - Chair  
B A Finch  
F H Kaufmann (Resigned 22.3.2017)  
R L Lipson  
H J Rose  
M H Wernicke  
N R Kelsey (Appointed 20.07.2016)

# **'ALL ABOARD' SHOPS LIMITED**

## **DIRECTORS' AND TRUSTEES' REPORT (Cont'd)**

### **FOR THE YEAR ENDED 31ST DECEMBER 2016**

**Secretary:** C R Marks (Res'n 01/01/16)

#### **Senior Management Team**

A Haynes - Chief Executive Officer  
B Shirion - Financial Controller  
S Kostick - HR Manager

**Registered Office:** Stella Lucas House, Unit 10, Colne Way Court, Colne Way, Watford WD24 7NE

**Auditors:** Ramon Lee & Partners, Kemp House, 152/160 City Road, London EC1V 2DW

**Bankers:** NatWest Bank Plc, Tavistock House, Tavistock Square, London WC1H 9XA

#### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The Trustees (who are also directors of 'All Aboard' Shops Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements 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 company and of its income and expenditure for that period. In preparing these financial statements, 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **STATEMENT OF DISCLOSURE TO AUDITOR**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditor aware of that information.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

**APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:**

  
**I H BRECKER**  
**CHAIR OF TRUSTEES**

**24<sup>TH</sup> MAY 2017**

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

## 'ALL ABOARD' SHOPS LIMITED

### Opinion

We have audited the financial statements of 'All Aboard' Shops Limited for the year ended 31<sup>st</sup> December 2016, which comprise the profit and loss account, 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<sup>st</sup> December 2016 and of its incoming resources and application of resources, including its income and expenditure, 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 company in accordance with the ethical requirements that are 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 relating 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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 directors 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.

### 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report has been prepared in accordance with applicable legal requirements.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont'd)

## 'ALL ABOARD' SHOPS LIMITED

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' and Trustees' Report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statements set out on page 5, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

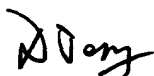
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company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

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

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 on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



DAVID TERRY (Senior Statutory Auditor)  
for and on behalf of RAMON LEE & PARTNERS  
CHARTERED ACCOUNTANTS  
STATUTORY AUDITOR

KEMP HOUSE  
152/160 CITY ROAD  
LONDON EC1V 2DW

24<sup>TH</sup> MAY 2017



**'ALL ABOARD' SHOPS LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
SUMMARY INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31ST DECEMBER 2016**

	<u>Notes</u>	Unrestricted Funds £	2016 £	2015 £
<b>Income</b>				
Donations and legacies	2	118,164	118,164	110,981
Income from other trading activities	3	2,028,827	2,028,827	2,125,475
Investment income	4	71	71	55
<b>Total income</b>		<u>2,147,061</u>	<u>2,147,061</u>	<u>2,236,511</u>
<b>Expenditure</b>				
Cost of raising funds	5	2,264,637	2,264,637	2,111,378
Expenditure on charitable activities	5	3,175	3,175	12,085
<b>Total expenditure</b>		<u>2,267,812</u>	<u>2,267,812</u>	<u>2,123,463</u>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(120,751)	(120,751)	113,048
<i>Reconciliation of funds</i>				
Total funds, brought forward		315,332	315,332	202,284
<b>Total funds, carried forward</b>		<u>194,581</u>	<u>194,581</u>	<u>315,332</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above financial periods.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the above movement in funds for the above financial periods.

The notes on pages 11 to 17 form part of these accounts.

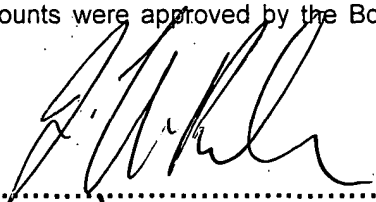
**'ALL ABOARD' SHOPS LIMITED**

**BALANCE SHEET AS AT 31ST DECEMBER 2016**

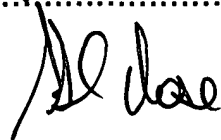
	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible fixed assets	11		212,649		183,970
<b>Current assets</b>					
Debtors	12	112,166		94,378	
Cash at bank and in hand		78,146		213,503	
		<u>190,311</u>		<u>307,881</u>	
<b>Liabilities</b>					
Creditors falling due within one year	13	(162,299)		(110,519)	
		<u></u>		<u></u>	
<b>Net current assets</b>			28,012		197,362
<b>Total assets less current liabilities</b>			<u>240,661</u>		<u>381,332</u>
<b>Creditors: falling due after more than one year</b>	14		(46,080)		(66,000)
<b>Net assets</b>			<u>194,581</u>		<u>315,332</u>
<b>The funds of the charity</b>					
Unrestricted funds	16		194,581		315,332
<b>Total charity funds</b>			<u>194,581</u>		<u>315,332</u>

The Trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. 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.

These accounts were approved by the Board of Directors and Trustees on 24<sup>th</sup> May 2017 and were signed on its behalf by:



..... I H BRECKER



..... H J ROSE

**Company Registration No: 02571767**

The notes on pages 11 to 17 form part of these accounts.

**'ALL ABOARD' SHOPS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2016**

	Notes	2016 £	2015 £
<b>Cash used in operating activities</b>	<b>18</b>	<u>(29,821)</u>	<u>52,969</u>
<b>Cash flows from investing activities</b>			
Interest income		71	55
Purchase of tangible fixed assets		(83,566)	(74,214)
Proceeds from sale of fixed asset		-	2,850
<b>Cash provided by / (used in) investing activities</b>		<u>(83,496)</u>	<u>(71,309)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowing		(26,698)	(28,212)
Cash inflows from new borrowings		-	103,447
Interest on borrowing		4,658	5,778
<b>Cash used in financing activities</b>		<u>(22,040)</u>	<u>81,013</u>
<b>Increase / (decrease) in cash &amp; cash equivalents in the year</b>		<u>(135,357)</u>	<u>62,673</u>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		213,503	150,830
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u>78,146</u>	<u>213,503</u>

# **'ALL ABOARD' SHOPS LIMITED**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2016**

#### **1. ACCOUNTING POLICIES**

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

##### **1.1 Basis of preparation of 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) and the Companies Act 2006.

The Charity 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).

##### **1.2 Preparation of accounts on a going concern basis**

Having regard to the level of reserves and the ongoing level of expenditure against unrestricted funds in conjunction with the development of the organisation's activity in the coming year, the trustees are satisfied that the accounts should be prepared on a going concern basis.

##### **1.3 Income**

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- a) Income received by way of donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- b) Legacies entitlement is taken as the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that the distribution is made, or when a distribution is received from the estate. No legacies were received during the year.
- c) Interest on funds held on deposit is included 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.

##### **1.4 Donated goods**

Donated goods for resale are not recognised on receipt. Instead, the value to the charity of the donated goods sold is recognised as income when sold. Estimating the fair value of donated goods for resale is impractical because of the low-value items received. The proceeds of sale are categorised as 'Income from other trading activities' in the Statement of Financial Activities.

Interest on funds held on deposit is included 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.

##### **1.5 Volunteers and donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

# **'ALL ABOARD' SHOPS LIMITED**

## **NOTES TO THE ACCOUNTS (Cont'd)**

### **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2016**

#### **1.6 Expenditure recognition**

Expenditure is recognised on an accrual basis as a liability is incurred.

Expenditure is classified under the following activity headings:

- d) Cost of raising funds comprises the cost of seeking donations and legacies and the costs of trading for fundraising purposes including the Charity's shops.
- e) Expenditure on charitable activities comprise the making of donations to other charities. Donations are recognised as a cost when the Board of Trustees approve the total donations for the year.

#### **1.7 Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

#### **1.8 Funds accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

#### **1.9 Operating leases**

The charity classifies the lease of property as an operating lease. The rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration.

#### **1.10 Taxation**

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

#### **1.11 Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation.

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:

Short term lease and improvements	-	Over period of lease
Fixtures, fittings and equipment	-	20% net book value
EPOS System	-	Over 5 years
Warehouse fixtures and fittings	-	20% net book value
Warehouse improvements	-	Over period of lease

#### **1.12 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term cash deposits.

#### **1.13 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **1.14 Financial instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### **1.15 Taxation**

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

# **'ALL ABOARD' SHOPS LIMITED**

## **NOTES TO THE ACCOUNTS (Cont'd)**

### **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2016**

#### **1.16 Judgement and key sources of estimation uncertainty**

In the application of the company's accounting policies, the charity is required to make judgments, 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.

#### **1.17 Pensions**

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activity in the period they are payable.

#### **2. DONATIONS AND LEGACIES**

	<b>Unrestricted £</b>	<b>2016 £</b>	<b>2015 £</b>
Individual donations	8,662	8,662	2,226
Gift aid	109,502	109,502	108,755
	<u>118,164</u>	<u>118,164</u>	<u>110,981</u>

The donations and legacies in 2016, totalling £118,164 (2015 - £110,981), were all attributed to unrestricted funds.

#### **3. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted £</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Trading income:</b>			
Turnover from donated goods	2,028,827	2,028,827	2,125,475
	<u>2,028,827</u>	<u>2,028,827</u>	<u>2,125,475</u>

The other trading income in 2015 totalling £2,125,475 was attributed to unrestricted funds.

#### **4. INVESTMENT INCOME**

	<b>Unrestricted £</b>	<b>2016 £</b>	<b>2015 £</b>
Interest on cash deposits	71	71	55
	<u>71</u>	<u>71</u>	<u>55</u>

# **'ALL ABOARD' SHOPS LIMITED**

## **NOTES TO THE ACCOUNTS (Cont/d)**

### **FOR THE YEAR ENDED 31ST DECEMBER 2016**

#### **5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Raising funds £</b>	<b>Donations £</b>	<b>2016 £</b>	<b>2015 £</b>
Staff costs	927,748	-	927,748	946,862
Shop costs	683,050	-	683,050	673,701
Charitable donations (see note 7)	-	3,175	3,175	12,085
Governance costs (see note 6)	5,450	-	5,450	5,550
Support costs (see note 6)	648,390	-	648,390	485,265
	<u>2,264,637</u>	<u>3,175</u>	<u>2,267,812</u>	<u>2,123,463</u>

Of the £2,267,812 expenditure in 2016 (2015 - £2,123,463), £2,267,812 was charged to unrestricted funds (2015 - £2,123,463) and £nil to restricted funds (2015 - £nil).

#### **6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's two key activities undertaken (see note 5) in the year. Refer to the table below for the basis for apportionment and the analysis of support costs and governance costs.

	<b>General Support £</b>	<b>Governance £</b>	<b>2016 £</b>	<b>2015 £</b>
Premises	83,170	-	83,170	34,557
Warehouse salaries	73,825	-	73,825	-
General and office finance costs	294,019	-	294,019	272,383
Communications	46,784	-	46,784	46,122
Travelling	11,469	-	11,469	13,851
Information technology	32,437	-	32,437	24,300
EPOS system running costs	3,980	-	3,980	6,687
Legal and professional fees	24,715	-	24,715	20,165
Depreciation	54,887	-	54,887	43,033
Bank and credit card charges	23,105	-	23,105	24,167
Audit fees	-	5,450	5,450	5,550
	<u>648,390</u>	<u>5,450</u>	<u>653,840</u>	<u>490,815</u>

#### **7. CHARITABLE DONATIONS**

	<b>Unrestricted £</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Charitable purpose:</b>			
Jewish education, culture and community support	3,175	3,175	12,085
	<u>3,175</u>	<u>3,175</u>	<u>12,085</u>

#### **8. NET INCOMING RESOURCES**

	<b>2016 £</b>	<b>2015 £</b>
Net incoming resources are shown after charging:		
Depreciation of tangible fixed assets	54,887	43,033
Operating leases - rent	477,060	470,927
Auditor's remuneration	<u>5,450</u>	<u>5,550</u>

**'ALL ABOARD' SHOPS LIMITED**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST DECEMBER 2016**

**9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

**STAFF COSTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Salaries and wages	1,202,233	1,130,430
Social security costs	79,204	77,351
Pension costs	5,440	3,612
	<u>1,286,877</u>	<u>1,211,393</u>

There were no employees whose annual emoluments were £60,000 or more. No Trustee received any remuneration or reimbursed expenses during the year (2015 - £nil).

The key management personnel of the charity comprises the Chief Executive Officer, Financial Controller and HR Manager. The total employee benefits of the key management personnel of the charity were £132,910 (2015 - £82,699). The key management team comprise of 3 (2015 - 2) personnel.

**10. STAFF NUMBERS**

The average weekly full time number of staff employed by the Charity during the period was as follows:

Direct charitable work	60	62
Administrative work	6	6

**11. TANGIBLE FIXED ASSETS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Short term lease and improvements	37,458	31,977
Fixtures, fittings and equipment	52,472	64,531
EPOS System	65,597	87,462
Warehouse fixture and fittings	18,004	-
Warehouse improvements	39,118	-
	<u>212,649</u>	<u>183,970</u>

**MOVEMENTS IN YEAR**

<b>Cost or valuation</b>	<b>Opening Balances</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balances</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Short term lease and improvements	72,236	12,705	-	84,941
Fixtures, fittings and equipment	206,249	1,020	-	207,269
EPOS System	109,327	-	-	109,327
Warehouse fixture and fittings	-	22,013	-	22,013
Warehouse improvements	-	47,828	-	47,828
	<u>387,812</u>	<u>83,566</u>	<u>-</u>	<u>471,378</u>

**Depreciation**

	<b>Opening Balances</b>	<b>Charge For Year</b>	<b>Disposals</b>	<b>Closing Balances</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Short term lease and improvements	40,259	7,224	-	47,483
Fixtures, fittings and equipment	141,718	13,079	-	154,797
EPOS System	21,865	21,865	-	43,730
Warehouse fixture and fittings	-	4,009	-	4,009
Warehouse improvements	-	8,710	-	8,710
	<u>203,842</u>	<u>54,887</u>	<u>-</u>	<u>258,729</u>

The net book value of tangible fixed assets includes £67,004 (2015 - £88,927) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £21,923 (2015 - £22,232) for the year.



**'ALL ABOARD' SHOPS LIMITED**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST DECEMBER 2016**

**12. DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	10,684	2,198
Sundry debtors and prepayments	58,765	53,756
Taxation	42,717	38,424
	<u>112,166</u>	<u>94,378</u>

Sundry debtors and prepayments includes two rent deposits totalling £6,000 (2015 - £6,000), which are receivable after more than one year.

**13. CREDITORS: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net obligation under finance lease agreement	19,920	22,041
Trade creditors	82,364	30,068
Taxation and social security	20,714	19,706
Sundry creditors and accruals	39,301	35,704
Charity donations	-	3,000
	<u>162,299</u>	<u>110,519</u>

**14. CREDITORS: Amounts falling due after more than one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net obligation under finance lease agreement	46,080	66,000
	<u>46,080</u>	<u>66,000</u>

**15. SHARE CAPITAL**

The company is limited by guarantee and does not have a share capital divided by shares.

**16. ANALYSIS OF CHARITABLE FUNDS**

	<b>Balance at</b>			<b>Balance at</b>
	<b>01.01.2016</b>	<b>Income</b>	<b>Expenditure</b>	<b>31.12.2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds:</b>				
General funds	315,332	2,147,061	2,267,812	194,581
<b>Total unrestricted funds</b>	<u>315,332</u>	<u>2,147,061</u>	<u>2,267,812</u>	<u>194,581</u>
<b>Total Funds</b>	<u>315,332</u>	<u>2,147,061</u>	<u>2,267,812</u>	<u>194,581</u>

**Description, nature and purpose of unrestricted funds:**

General fund represents funds available to spend at the discretion of the Trustees.

**'ALL ABOARD' SHOPS LIMITED**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST DECEMBER 2016**

**17. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS**

	<b>Unrestricted</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	212,649	212,649	183,970
Net current assets	28,012	28,012	197,362
Long term liabilities	(46,080)	(46,080)	(66,000)
	<u>194,581</u>	<u>194,581</u>	<u>315,332</u>

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(120,751)	113,048
Add back depreciation	54,887	43,033
Deduct interest income shown in investment activities	(71)	(55)
Loss/(profit) on sale of fixed assets	-	1,203
Decrease / (increase) in debtors	(17,788)	27,902
Increase / (decrease) in creditors	53,901	(132,162)
<b>Net cash used in operating activities</b>	<u>(29,821)</u>	<u>52,969</u>

**19. OPERATING LEASE COMMITMENTS**

The amounts payable in the forthcoming year in respect of operating leases relating to rent and service charges are shown below, analysed according to the expiry date of the leases.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Within one year	28,247	15,200
Between two and five years	695,245	647,518
After five years	1,549,348	1,716,312
	<u>2,272,840</u>	<u>2,379,030</u>

**'ALL ABOARD' SHOPS LIMITED**

**MANAGEMENT INFORMATION**  
**YEAR ENDED 31<sup>st</sup> DECEMBER 2016**

# 'ALL ABOARD' SHOPS LIMITED

## RESOURCES EXPENDED FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016 £	2015 £
<b>INCOME</b>	<u>2,147,061</u>	<u>2,236,511</u>
<b>DIRECT COSTS</b>		
Wages and salaries (Shop)	927,748	946,862
Bag collections and deliveries	52,977	41,493
Insurance expense	4,746	3,243
Miscellaneous expenses	6,693	13,961
Rent	439,227	454,927
Service charge	9,469	11,457
Landlord's property insurance	11,353	12,404
General rates	30,479	13,884
Water rates	3,276	3,892
Repairs and maintenance	21,753	20,420
Light and heat	23,549	22,861
Merchandising and display	42,552	38,857
Shop cleaning and pest control	2,289	3,199
Waste disposal	34,686	31,896
Audit fees	5,450	5,550
Donations	3,175	12,085
	<u>1,619,422</u>	<u>1,636,991</u>
<b>OVERHEAD COSTS</b>		
Wages and salaries	367,101	268,413
Office premises	65,528	24,362
Equipment rental	-	217
Telephone and fax	9,902	7,853
Printing, postage and stationary	12,772	11,508
Advertising	22,292	26,761
Computer software and maintenance	32,437	23,397
Insurance	11,658	11,251
Legal and professional fees	24,715	20,165
Sundry expenses	6,728	3,308
Bank charges	27,085	30,555
Subscriptions	1,818	1,798
Travel and subsistence	11,469	13,851
Depreciation	54,887	43,033
	<u>648,390</u>	<u>486,472</u>
<b>TOTAL EXPENDITURE</b>	<u>2,267,812</u>	<u>2,123,463</u>
<b>NET INCOMING RESOURCES</b>	<u>(120,751)</u>	<u>113,048</u>