

Registered number: 3635124
Charity number: 1075749

BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

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BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014**

Trustees

Robin Pauley, Chair
Helen Taylor Thompson, Trustee
Alistair Fraser, Trustee
Judith Miara, Trustee (resigned 1 November 2013)
Matthew Stevenson-Dodd, Trustee (appointed 9 July 2013)

Company registered number

3635124

Charity registered number

1075749

Registered office

49-51 East Road
London
N1 6AH

Company secretary

Leah Cook

Independent auditors

Goodman Jones LLP
29/30 Fitzroy Square
London
W1T 6LQ

Bankers

Barclays Bank Plc
Level 27
1 Churchill Place
London
E14 5HP

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Bright Red Dot Foundation Limited (the company and the group) for the ended 31 March 2014. The Trustees confirm that the Annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Trustees

The following Trustees, who are also directors for the purpose of company law, have held office since 1 April 2013:

Robin Pauley, Chair	
Helen Taylor-Thompson	
Alistair Fraser	
Judith Miara	(resigned 1 November 2013)
Matthew Stevenson-Dodd	(appointed 9 July 2013)

None of the Trustees received any remuneration from the charity during the current or prior years

Structure, Governance and Management

Bright Red Dot Foundation Limited (trading as 'CAN') is a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association, adopted on and last amended on .

CAN's objects are to improve the efficiency of the administration of charities in direct pursuit of their objects by the provision of training and information, particularly in the field of information technology. CAN has sole membership of the charities Mezzanine 2 Ltd and CAN Mezzanine Ltd (collectively trading as 'CAN Mezzanine').

The Board of Trustees controls and manages the affairs of the charity. Trustees are given a comprehensive induction when they join. Recruitment involves interviews with the Chair and existing Trustees.

In July 2013 Matthew Stevenson-Dodd, Chief Executive of Street League, was appointed to the Boards of all three entities. Matthew's appointment further strengthens the Board, giving additional CAN Trustee representation from a sector organisation.

The Board are considering their skills and envisage a further appointment in the coming year 2014-15.

Leadership and operational management of CAN are devolved to the senior management team.

Senior Management Team

Andrew Croft	Chief Executive
Kate Markey	MD CAN Invest. (Deputy CE), resigned March 2014

The Board of Trustees hold the senior management team to account on key performance indicators as agreed between both parties as well as monitoring the strategic direction.

Risk Management

The Trustees have assessed the major risks to which the company and the group is exposed, in particular those related to the operations and finances of CAN, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

Principal Activities and Objectives

CAN's vision is of an economy buoyed by a thriving Civil Society. Our Mission is to help charities, social entrepreneurs and social ventures achieve it. To build sustainable organisations charities need high quality premises, peer experience, funds and business support.

In addition to CAN's broad work supporting its network, the wider social sector and assisting Local Authorities to improve their interaction and co-production with the social sector, CAN has two main streams of operation: *ve* *their interaction and co-production with the social sector, CAN has two main streams of operation:*

1. CAN Mezzanine: provides high-quality collaborative office space and builds communities of social interest for third sector organisations in prime locations. Some of the over 125 organisations (an increase of 14% on last year) housed include the World Wildlife Foundation, Institute for Sustainability, Family Lives, Transparency International and Policy Connect.
2. CAN Invest: deploys a range of business support and funding into UK based social ventures. It includes CAN Breakthrough Fund the venture philanthropy fund supporting social ventures to scale up; Community Assets and Enterprise Fund supporting start up community enterprises; CAN Impact providing impact consulting & reporting, CAN Engage which levers corporate skill for pre-scale business projects in ambitious social enterprises and investment readiness consultancy

Achievements and Performance Review of the Year

CAN's Central Activities

CAN is in the top 6.2% of charities in the UK by turnover (charity commission statistics).

Continued funding cuts and squeezed contract values have increased challenges across the sector, particularly at a local government level, demanding charitable organisations be more entrepreneurial and deliver even more for less. Health and Public Service Reforms have increased spin out social enterprises and mutuals but the introduction of greater payment by results contracts have brought cash flow problems for social organisations.

Performance against specific objectives was as follows:

- **To develop non investment contracts with local authorities and enhance opportunities;** During the period CAN developed relationships with a number of local authorities, in particular Hounslow and Brentwood, where CAN's premises expertise was utilised to help develop social cluster concepts along the lines of CAN Mezzanine.
- **To increase the level of training, capacity building and support for the sector;** The pro bono support for charitable and social organisations continued with eight organisations helped during the year bringing the total to nearly one hundred and fifty organisations helped since the CAN Advise concept of free property advice for the sector was developed. CAN continues to support the sector further to the formal closure of the London Third Sector premises forum, with informal meetings between the partners. CAN provides Chief Executive time for the following social functions;
 1. Credit Committee Membership for the SIB Communitybuilders Fund,
 2. SEUK Board & Treasury function
 3. Ambassador for the Cabinet Office Mutuals programme.In addition CAN provides the time of their Head of Impact and Investment Strategy to support;
 1. London Funders
 2. The Social Investment ForumDuring the year CAN co-founded The Social Economy Alliance and are both a supporter and a member.

BRIGHT RED DOT FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Performance against specific objectives for the year were as follows;

- **Review Board composition and any skills gaps recruiting as required;** a new Board member with knowledge of the sector was recruited Matt Stephenson-Dodd of Street league.
- **Complete an internal review and refine mission, vision and values;** a facilitated team engagement was completed and it was deemed that our mission had not changed. A strategic evaluation by the Board and exec then reviewed streams of work and it was decided that our investment work had moved into a consultancy phase away from core activity and that the organisation should re focus on a more holistic approach for premises, Investment and Impact.
- **Review systems, procedures, health & safety, HR and policy documentation;** a complete review of health and safety, HR, system procedures and policy documentation was completed
- **Conduct a review of social credentials of suppliers seeking to increase social organisations in supply chain;** we undertook to embed social organisations further in our supply chain. A focus on mezzanine this year and head office next year.
- **Continue to deliver pro bono property support without external funding;** eight organisations assisted bringing the total to just under 150 from inception

CAN Mezzanine

Requirement for our services increased, with occupancy figures across all locations rising. This is both a change in market forces and a testament to CAN Mezzanine's sales and operations teams in customer acquisitions combined with maintaining excellent customer relations. The overall strength of our customer base has enabled us to provide support to those organisations that are struggling more than others, thereby strengthening our position as a community of social interest. We remain committed to offering long term support services and a peer community to our customers and in particular London is showing a much increased demand for our services as the property market hardens and our value proposition to the sector increases further. In Southwark we noted that the market rental price for premises increased by 60% further to our building acquisition while our own price rise was minimised to just 6%. Consequently our Loman St. building hit 100% occupation for a period of the year maximising the charitable asset utilisation, peer to peer collaboration and minimising customer organisations costs.

As a charity based social enterprise our desire is to to grow our social impact and public benefit.. Our most recent customer satisfaction survey shows over 89% of our community are interacting with other CAN Mezzanine customers +2% on 2012, 81% increased business connections, 62% collaborate and 27% generated additional revenue.

CAN Mezzanine Hounslow opened in February 2014 and was the result of a partnership between CAN and Hounslow Local Authority, building on our strategy to engage with Local Authorities for social impact where possible.

Performance against specific objectives for the year was as follows:

- **Obtain at least one further CAN Mezzanine building;** one new Mezzanine facility was opened in partnership with Hounslow Local Authority in central Hounslow. This facility was opened by the mayor in February 2014 under a management contract with a lease due for signature on completion of tri party arrangements in July 2014.
- **Develop a product offering that segments our market and helps an additional beneficiary group;** CAN has developed a managed building offering for larger organisations requiring their own space. A building has been identified and negotiations are ongoing to secure this premises and a suitable customer(s).

BRIGHT RED DOT FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

- **Conduct a review of costs using external appraisal;** to ensure best value is being achieved across all areas an external consultant Expense Reduction Analysts ERA was commissioned to assess the pricing of contracts. The resulting feedback was that they had adopted some of our suppliers to achieve better performance. Only one area was identified where a saving could be made and that was cleaning. This saving would be achieved by lower hours and was therefore something we could achieve ourselves with the incumbent should we wish to accept a lower level of on site presence. We do not.
- **Conduct a review of social credentials of suppliers, seeking to increase social orgs in supply chain;** we analysed our supply chain and including related parties our social supply chain was 65%. We will review CAN's mix during the following financial year.
- **Continue to improve occupancy and constituency;** occupancy has grown across all sites with Hounslow opening on 27% occupation.
- **Undertake in depth customer profiling to establish market segmentation demand and social impact of offering different Mezzanine spaces;** a consultant was employed to review the market, segments and requirement. The findings were positive about CAN Mezzanine, quality, our offering, price and the locations we were anecdotally pursuing. It is all the more comforting to know that our thinking is backed up by analysis.
- **Continue to seek expansion space in the Southwark locality;** we commenced negotiations on a new mezzanine and a managed space both in Southwark

CAN Invest

Maximise cross selling and investment support to the CAN Mezzanine community

CAN Invest, continued to focus on CAN's mission to help charities, CIC's and social enterprise win contracts, raise growth and investment finance and to develop the flow of community focused funds. During the year the cabinet office for Civil Society ended its Strategic Partner programme and CAN delivered the final report that ended this relationship stretching back to 2006 as one of the initial Strategic Partners for the Office of The Third Sector. This had no detrimental financial impact on CAN as this relationship had long been subsidised internally to ensure our beneficiaries had a voice.

The P&L grew significantly to almost £400K with consulting practices, however in December following our review of mission the Exec team and Board held a strategic review of work and decided that we had moved too far from core activity and were progressing down a consultancy route which bore less relation to our strategic direction. It was decided to implement a refocus on working in core geographies, with only social beneficiaries where ideally there was synergy across different streams of work. It was recognised we should deliver on all outstanding work but that we should pro actively decline income in favour of strategic alignment and that while this may be difficult it should be achieved.

Performance against specific objectives for the year was as follows:

- **Development of Funds:** Secure additional funds to manage and invest in the social sector.
 - CAN Breakthrough continued to support Cool2Care with its final grant of £50k (part of a 3-year £150k grant to expand its services alongside investment partners Venturesome and Big Issue Invest). Sadly further to the grant Cool2Care went into receivership. We will endeavour to recover all charitable funds possible.
 - The Community Enterprise Fund. After a slow start with pipeline the key themes were expressed and segmented. This generated significant interest and by the end of the year a healthy pipeline and expressions of interest were developed. It is anticipated that by the third and final year of operation 2014-15 the fund will be oversubscribed. Additional funds were levered against funds under management increasing impact.
 - Early Intervention Fund. Commitment was received to establish an Early Intervention Fund in the core geography of Hackney and East London in partnership with UBS.

BRIGHT RED DOT FOUNDATION LIMITED

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

- **Expand CAN Invest investment-readiness and capital raising services;** following CAN Invests accreditation as an Approved Provider on the Social Investment Business run £10m Investment and Contract-Readiness CAN commenced work with a number of organisations most notably Family Lives (a CAN Mezzanine customer) and City and Hackney Mind. The goal of this latter investment readiness work to enable them to win a multi million pound contract, increasing their impact significantly.
- **Expand and scale CAN Invest impact consulting services. Goal revised to focus on strategic and core activity rather than scale;** after an initial broadening of impact consulting services and client groups, resulting in exceeding targets for the financial year a refocus in December started a reduction in external consultancy services particularly for organisations outside the ThirdSector.
 - CAN's work for the Kickstarter Fund, a partnership between the Big Lottery, CAN and the Social Stock Exchange was developed, with CAN managing the fund and completing some of the impact reports for listing entities.
 - The partnership with Business in the Community, involving investment readiness with the potential for incubation in Mezzanine locations was developed further.

This year saw increased interest in CAN Invest's impact services from socially-minded corporate companies looking to report on their social value, while initially we undertook interventions completing impact studies at corporate level it was felt by December that these were outside our remit and no more were accepted with focus being placed on social and ideally cross organisational work. All initiatives were delivered appropriately.

- **Raise CAN Invest's influence and impact within the social investment market;** CAN continues its membership of the Social Investment Forum (SIF), the only forum for social investment intermediaries and led by Social Enterprise UK. Andrew Croft (CE) is Board member and Treasurer of SEUK, a member of the SIB Communitybuilders credit committee and an Ambassador for the Cabinet Office Mutuals programme. Rohan Martyres Head of Impact and Investment Strategy at CAN is Board member of London Funders.
- **Contribute to the development of the social investment market, by supporting regulatory needs and raising its profile to attract new investors:** CAN discussed with local authorities and the Social Investment business the application of ERDF and ESF funding. In addition, until the closure of the programme CAN Invest worked with its fellow strategic partners to the Cabinet Office (Plunkett Foundation, School for Social Entrepreneurs, Social Firms and UnLtd) on promoting social entrepreneurship.
- **Build the CAN Invest team to provide appropriate resourcing for existing and future business lines;** two new team members were recruited in April 2013 and assimilated well into the team. In March of 2014 Kate Markey, MD of Invest left CAN after seven years and Rohan Martyres was promoted to Head of Impact and Investment Strategy.

Plans for the Future

We will continue to work with the Social Economy Alliance to raise the issues pertinent to the sector at large and seek improvements and develop a coherent manifesto for the social economy. We will seek to expand our Mezzanine community and funds.

CAN's objectives for the forthcoming financial year are as follows:

CAN's Central Activities:

- Recruit one new Board member
- Recruit a full time permanent FD with COO skills
- In partnership with the Social Economy Alliance shape a manifesto
- Buy Social. Complete the review of suppliers as with CAN Mezzanine 2013
- Further develop local authority engagement where our services will enhance benefit
- Continue to deliver pro bono property support without external funding

BRIGHT RED DOT FOUNDATION LIMITED

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TRUSTEES' REPORT *(continued)* FOR THE YEAR ENDED 31 MARCH 2014

CAN Mezzanine:

- Deliver at least one further CAN Mezzanine building
- Deliver a managed building *(not serviced)*
- Maintain occupation above breakeven on existing and ramp up new facilities
- Conduct Delphi group style meetings with the Mezzanine community

CAN Invest:

- Focus on the core geography maximising cross collaboration & investment support to CAN Mezzanine community irrespective of income
- Secure additional social investment funds of £0.5m
- Develop CAN Invest investment & contract readiness services
- Develop the CAN Invest team

Our Thanks to

- Our customers, service users and wider social network
- Our many supporters (financial and otherwise) including Cabinet Office of Civil Society, UBS, Calouste Gulbenkian Foundation, Department for Communities and Local Government, Big Lottery Fund and London Councils
- Our loyal and immensely hard working team who drive and deliver our mission.
- Our partners who help us to achieve our goals including UBS, The Plunkett Foundation, The Social Investment Business, The Social Stock Exchange, Business in the Community, Clearly So.

Financial Results

A consolidated set of accounts has been prepared which incorporates the accounts of the fully-owned subsidiary charities Mezzanine 2 Ltd and CAN Mezzanine Ltd, both companies limited by guarantee.

The consolidated net movement in funds for the year consists of:

	Opening balance £	Movement £	Closing balance £
Bright Red Dot Foundation Ltd	2,983,290	572,422	3,555,712
Mezzanine 2 Ltd	560,839	117,603	678,442
CAN Mezzanine Ltd	(1,176,309)	29,016	(1,147,293)
Consolidation adjustments	(19,126)	2,159	(16,967)
	<u>2,349,694</u>	<u>721,200</u>	<u>3,069,894</u>

Review of Activities of Subsidiaries

Mezzanine 2 Limited and CAN Mezzanine Limited, collectively trading as CAN Mezzanine, are both self-sustaining charities, building on CAN's experience of creating a successful collaborative working environment. CAN Mezzanine is recognised as a landmark enterprise for the social sector.

Currently over 130 charity and social sector organisations share over 75,000 sq ft of office space across two central London, Bristol and Hounslow locations.

Mezzanine 2 Ltd recorded an unrestricted surplus of £117,603 an increase from prior year (2013: £40,131) a result of occupancy maximisation.

BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

CAN Mezzanine Ltd recorded an unrestricted surplus for the second consecutive year of £29,016 (2013: £44,570) as the Old St property occupancy grew further. This figure would have been higher had the Old St premises not been supporting the ramp up of Bristol which remains loss making at this time. CAN will continue to support CAN Mezzanine Ltd as necessary until the total funds move into surplus.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Reserves Policy

The Trustees approved a Reserves Policy in 2012 and agreed to aim to maintain consolidated free reserves of £500,000 in cash or assets that are easily converted into cash. At 31 March 2014, the group's free reserves, excluding the current portion of bank loans, were £657,850 (2013: £545,349). Current bank loans have been excluded from both years as these repayments are met from income received during the forthcoming year.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Bright Red Dot Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' 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 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and *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.

Auditors

The auditors, Goodman Jones LLP, have indicated their willingness to continue in office.

BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014**

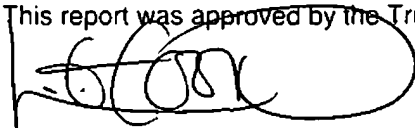
Statement of Disclosure to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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

This report was approved by the Trustees on 16 September 2014 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'L Cook', enclosed within a large, hand-drawn oval.

**L Cook
Company Secretary**

BRIGHT RED DOT FOUNDATION LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIGHT RED DOT FOUNDATION LIMITED

We have audited the financial statements of Bright Red Dot Foundation Limited for the year ended 31 March 2014 set out on pages 12 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, 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.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014 and of the group's 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 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BRIGHT RED DOT FOUNDATION LIMITED

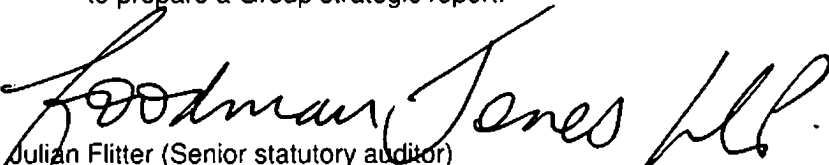
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIGHT RED DOT FOUNDATION LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



Julian Flitter (Senior statutory auditor)

for and on behalf of

Goodman Jones LLP

Statutory Auditors

29/30 Fitzroy Square

London

W1T 6LQ

7 November 2014

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Incoming resources					
Incoming resources from generated funds:					
Investment income	2	10,376	-	10,376	12,820
Incoming resources from charitable activities	3	3,464,937	2,165	3,467,102	3,181,356
Total incoming resources		3,475,313	2,165	3,477,478	3,194,176
Resources expended					
Charitable activities	5	2,731,766	2,165	2,733,931	2,520,966
Governance costs	8	22,347	-	22,347	22,880
Total resources expended		2,754,113	2,165	2,756,278	2,543,846
Movement in total funds for the year - Net income for the year		721,200	-	721,200	650,330
Total funds at 1 April 2013		2,348,694	-	2,348,694	1,698,364
Total funds at 31 March 2014		3,069,894	-	3,069,894	2,348,694

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 27 form part of these financial statements.

BRIGHT RED DOT FOUNDATION LIMITED

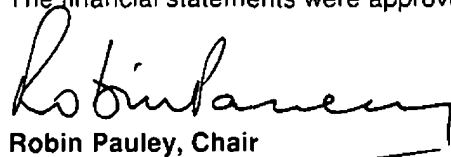
(A company limited by guarantee)

REGISTERED NUMBER: 3635124

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	11		17,775,227		17,888,958
Current assets					
Debtors	12	501,603		346,760	
Cash at bank		1,835,489		1,789,588	
		<u>2,337,092</u>		<u>2,136,348</u>	
Creditors: amounts falling due within one year	13	<u>(2,294,081)</u>		<u>(2,204,113)</u>	
Net current assets/(liabilities)			43,011		(67,765)
Total assets less current liabilities			<u>17,818,238</u>		<u>17,821,193</u>
Creditors: amounts falling due after more than one year	14		(14,735,267)		(15,468,140)
Provisions for liabilities					
Other provisions	15		(13,077)		(4,359)
Net assets			<u><u>3,069,894</u></u>		<u><u>2,348,694</u></u>
Charity Funds					
Unrestricted funds	17		<u>3,069,894</u>		<u>2,348,694</u>
Total funds			<u><u>3,069,894</u></u>		<u><u>2,348,694</u></u>

The financial statements were approved by the Trustees on 16 September 2014 and signed on their behalf, by:


Robin Pauley, Chair


Helen Taylor Thompson, Trustee

The notes on pages 15 to 27 form part of these financial statements.

BRIGHT RED DOT FOUNDATION LIMITED

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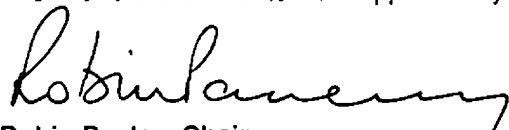
REGISTERED NUMBER: 3635124

COMPANY BALANCE SHEET

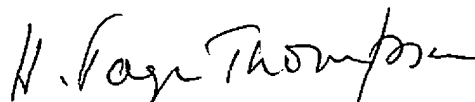
AS AT 31 MARCH 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	11		17,542,873		17,592,909
Current assets					
Debtors: amounts falling due after more than one year	12	1,010,011		1,163,902	
Debtors: amounts falling due within one year	12	264,052		267,762	
Cash at bank		196,973		189,329	
		<u>1,471,036</u>		<u>1,620,993</u>	
Creditors: amounts falling due within one year	13	<u>(722,930)</u>		<u>(762,472)</u>	
Net current assets			748,106		858,521
Total assets less current liabilities			<u>18,290,979</u>		<u>18,451,430</u>
Creditors: amounts falling due after more than one year	14		<u>(14,735,267)</u>		<u>(15,468,140)</u>
Net assets			<u>3,555,712</u>		<u>2,983,290</u>
Charity Funds					
Unrestricted funds	17		<u>3,555,712</u>		<u>2,983,290</u>
Total funds			<u>3,555,712</u>		<u>2,983,290</u>

The financial statements were approved by the Trustees on 16 September 2014 and signed on their behalf, by:



Robin Pauley, Chair



Helen Taylor Thompson, Trustee

The notes on pages 15 to 27 form part of these financial statements.

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Bright Red Dot Foundation Limited and all of its subsidiary undertakings ('subsidiaries'). Intragroup transactions are eliminated fully on consolidation.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

1.4 Freehold property

Freehold property is held at cost and reviewed annually for impairment in accordance with FRS 11. Depreciation is not charged on freehold property, where the life of that property is believed to be greater than 50 years, in accordance with FRS 15.

1.5 Tangible fixed assets and depreciation

Excluding computers, all assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	Over the term of the lease
Communication infrastructure	-	10% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	10% and 25% Straight line

BRIGHT RED DOT FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. Accounting policies (continued)

1.6 Grants and donations

Revenue grants and donations include all income receivable in the period. Where the income covers costs already incurred and are committed, but not yet received, this income has been accrued. The element of such grants and donations received for specific projects which are not expended at the period end is carried forward as restricted funds.

Capital grants and donations received towards capital expenditure are analysed between restricted or unrestricted income in the statement of financial activities on receipt. On expenditure being incurred, fixed assets are capitalised in the appropriate fund.

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.8 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.9 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.10 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small charitable company.

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting policies (continued)

1.11 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.12 Pensions

The company contributes to personal pension plans on behalf of employees and the pension charge represents the amounts payable by the charity to personal pension plans in respect of the year.

1.13 Dilapidation provision

Provisions for dilapidations are recognised on a lease by lease basis and are based on the company's best estimate of the likely committed cash outflow.

1.14 Finance costs

Finance costs are recognised as an expense in the year that they are incurred, except to the extent that they are capitalised. Finance costs that are directly attributable to land and buildings in the course of development are capitalised as part of the cost of that asset.

2. Investment income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Investment income	10,376	-	10,376	12,820

3. Incoming resources from charitable activities

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Serviced office space	3,054,048	-	3,054,048	2,917,663
Social investment services	410,889	2,165	413,054	263,693
	3,464,937	2,165	3,467,102	3,181,356

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Grant income

Included in incoming resources from charitable activities are the following grants received by the group during the year:

	2014 £	2013 £
Hadley Trust	-	50,000
Calouste Gulbenkian Foundation	-	16,000
Basis2 Project	1,748	3,346
London Council	417	750

4. Grants to institutions

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Social investment services	50,000	-	-	50,000	113,500

List of institutional grants payable

	2014 £	2013 £
Cool2Care	50,000	50,000
SROI	-	50,000
SSE	-	13,500
	50,000	113,500

5. Resources expended on charitable activities

Summary by activity

	Activities undertaken directly 2014 £	Grant funding of activities 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Serviced office space	1,838,382	-	444,817	2,283,199	2,062,527
Social investment services	338,234	50,000	62,498	450,732	458,439
	2,176,616	50,000	507,315	2,733,931	2,520,966

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Summary by fund type

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Serviced office space	2,283,199	-	2,283,199	2,062,527
Social investment services	448,567	2,165	450,732	458,439
	<u>2,731,766</u>	<u>2,165</u>	<u>2,733,931</u>	<u>2,520,966</u>

Summary by expenditure type

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Serviced office space	741,187	77,205	1,464,807	2,283,199	2,062,527
Social investment services	320,584	353	129,795	450,732	458,439
	<u>1,061,771</u>	<u>77,558</u>	<u>1,594,602</u>	<u>2,733,931</u>	<u>2,520,966</u>

6. Direct costs

	Serviced office space £	Social investment services £	Total 2014 £	Total 2013 £
Rent and rates	148,581	-	148,581	136,745
Dilapidation provision	8,718	-	8,718	(51,495)
Premises expenses	452,235	-	452,235	408,106
Communication expenses	209,989	8,264	218,253	207,297
Marketing and promotion	66,190	20,377	86,567	56,727
Professional fees	13,263	20,476	33,739	38,599
Financial costs	475,026	-	475,026	501,289
Other staff costs	4,474	14,920	19,394	11,470
Other costs	358	1,793	2,151	1,185
Wages and salaries	346,100	240,943	587,043	501,891
National insurance	25,100	20,103	45,203	41,928
Pension cost	13,753	11,358	25,111	25,429
Depreciation	74,595	-	74,595	78,600
	<u>1,838,382</u>	<u>338,234</u>	<u>2,176,616</u>	<u>1,957,771</u>

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

7. Support costs

	Basis of Allocation	Serviced office space	Social investment services	Total 2014	Total 2013
		£	£	£	£
Financial costs	Turnover	-	670	670	-
Office costs	Turnover	85,973	13,295	99,268	77,427
Wages and salaries	Turnover	308,991	41,790	350,781	323,716
National insurance	Turnover	30,371	4,108	34,479	28,503
Pension cost	Turnover	16,872	2,282	19,154	17,750
Depreciation	Turnover	2,610	353	2,963	2,299
		<u>444,817</u>	<u>62,498</u>	<u>507,315</u>	<u>449,695</u>

8. Governance costs

	Unrestricted funds	Total funds	Total funds
	2014	2014	2013
	£	£	£
Auditors' remuneration	22,298	22,298	22,298
Trustees travel reimbursed	49	49	582
	<u>22,347</u>	<u>22,347</u>	<u>22,880</u>

9. Net operating surplus

This is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets	77,558	80,899
Auditors' remuneration	<u>22,298</u>	<u>22,298</u>

No separate income and expenditure account has been prepared for the company as permitted by Section 408 of the Companies Act 2006. The surplus for the financial year was £572,421 (2013: £563,468).

BRIGHT RED DOT FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

10. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	937,824	825,607
Social security costs	79,683	70,431
Other pension costs	44,265	43,179
	<u>1,061,772</u>	<u>939,217</u>

The average monthly number of employees during the year was as follows:

	2014 No.	2013 No.
Administration and management	<u>21</u>	<u>18</u>

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	0
	<u>2</u>	<u>2</u>

Pension contributions relating to the two employees who received emoluments over £60,000 were £10,476 (2013: £8,556). No emoluments were paid to the Trustees during the year. There were no outstanding or prepaid contributions to the pension scheme at 31 March 2014.

BRIGHT RED DOT FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

11. Tangible fixed assets

Group	Freehold property £	Leasehold imp'm'ts £	Fixtures and fittings £	Computer equipment £	Comms structure £	Total £
Cost						
At 1 April 2013	17,586,504	149,346	228,345	108,167	149,264	18,221,626
Additions	-	3,995	7,413	2,419	-	13,827
Disposals	(50,000)	-	-	-	-	(50,000)
At 31 March 2014	17,536,504	153,341	235,758	110,586	149,264	18,185,453
Depreciation						
At 1 April 2013	-	38,106	159,928	74,929	59,705	332,668
Charge for the year	-	18,678	27,444	16,510	14,926	77,558
At 31 March 2014	-	56,784	187,372	91,439	74,631	410,226
Net book value						
At 31 March 2014	17,536,504	96,557	48,386	19,147	74,633	17,775,227
At 31 March 2013	17,586,504	111,240	68,417	33,238	89,559	17,888,958

Company	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2013	17,586,504	135	10,060	17,596,699
Additions	-	2,005	922	2,927
Disposals	(50,000)	-	-	(50,000)
At 31 March 2014	17,536,504	2,140	10,982	17,549,626
Depreciation				
At 1 April 2013	-	72	3,718	3,790
Charge for the year	-	345	2,618	2,963
At 31 March 2014	-	417	6,336	6,753
Net book value				
At 31 March 2014	17,536,504	1,723	4,646	17,542,873
At 31 March 2013	17,586,504	63	6,342	17,592,909

The bank and other loans are secured with fixed charges on the freehold property and the assets of the group.

During the year the company refinanced the deferred consideration payable to the developer of the freehold property at East Road on favourable terms. The disposal shown above reflects the reduction in the cost of the freehold property relating to this refinancing.

BRIGHT RED DOT FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

12. Debtors

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Due after more than one year				
Amounts owed by group undertakings	-	-	1,010,011	1,163,902
	<u>-</u>	<u>-</u>	<u>1,010,011</u>	<u>1,163,902</u>
	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Due within one year				
Trade debtors	340,176	201,523	91,525	65,885
Amounts owed by group undertakings	-	-	69,204	98,006
Other debtors	97,199	94,222	89,078	87,741
Prepayments and accrued income	64,228	51,015	14,245	16,130
	<u>501,603</u>	<u>346,760</u>	<u>264,052</u>	<u>267,762</u>

Bright Red Dot Foundation Limited gave CAN Mezzanine Limited lease incentives on signing the lease at East Road, which are being spread over the life of the lease as described in note 1.11.

13. Creditors:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	614,839	613,114	614,839	613,114
Trade creditors	32,931	52,542	5,852	12,725
Other taxation and social security	93,584	93,146	21,770	22,494
Other creditors	631,791	553,525	-	-
Accruals and deferred income	920,936	891,786	80,469	114,139
	<u>2,294,081</u>	<u>2,204,113</u>	<u>722,930</u>	<u>762,472</u>

14. Creditors:
Amounts falling due after more than one year

	<u>Group and Company</u>	
	2014	2013
	£	£
Bank loans	13,035,267	13,618,140
Other loans	1,700,000	1,850,000
	<u>14,735,267</u>	<u>15,468,140</u>

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. Creditors:
Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	Group and Company	
	2014	2013
	£	£
Repayable by instalments	10,152,640	10,832,680
Repayable other than by instalments	1,000,000	1,000,000
	11,152,640	11,832,680

The bank loans are held by Triodos Bank and are secured by charges on the freehold properties at 49-51 East Road and 32 Loman Street as well as the assets of the group. The Triodos Bank loans on the East Road property are repayable over 16 years and interest is charged at The Royal Bank of Scotland's base rate plus between 1.5% and 2.5%. The Triodos Bank loan on the Loman Street property is repayable over 22 years and interest is charged at the higher of 3.5% or The Royal Bank of Scotland's base rate plus 2.5%.

The terms of the loans require that the total amount owed to Triodos Bank must not exceed 85% of the properties market value and that the EBITDA to debt service ratio is a minimum of 1.05.

Other loans include £1,000,000 due to the vendor of the property at Loman Street, this loan is repayable in full in December 2020 with interest charged at 7%, it is secured by a charge over the freehold property. There is also a further loan of £700,000 payable to the developer of the East Road property, which is unsecured and non interest bearing. If the repayment obligations cannot be met by CAN as they fall due interest will then be charged at 6%.

The loans fall due as follows:

	Bank loans	Other loans	2014	2013
	£	£	£	£
Between 1 and 2 years	1,223,422	100,000	1,323,422	1,428,333
Between 2 and 5 years	1,959,205	300,000	2,259,205	2,207,127
Over 5 years	9,852,640	1,300,000	11,152,640	11,832,680
Total	13,035,267	1,700,000	14,735,267	15,468,140

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

15. Provisions for liabilities and charges

Group	Dilapidations £
At 1 April 2013	4,359
Additions	8,718
	<hr/>
At 31 March 2014	13,077
	<hr/>

Dilapidations

The provision relates to dilapidation commitments on expiry of operating leases held by the group.

The company has no provisions at the balance sheet date.

16. Prior year adjustment

The company have removed the balances relating to the Community Enterprise Fund from its balance sheet at 31 March 2013. The company holds these restricted funds on trust on behalf of West Lindsey District Council and therefore the fund should not be recognised in the balance sheet of the company. The impact on the balance sheet was the removal of £1,050,000 from cash at bank and £1,050,000 from other creditors due within one year. The overall impact on the net assets of the company was £nil.

17. Summary of group funds

	Brought Forward £	Incoming resources £	Resources expended £	Carried Forward £
Unrestricted funds	2,348,694	3,475,313	(2,754,113)	3,069,894
Restricted funds	-	2,165	(2,165)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,348,694	3,477,478	(2,756,278)	3,069,894
	<hr/>	<hr/>	<hr/>	<hr/>

Summary of company funds

	Bought Forward £	Incoming resources £	Resources expended £	Carried Forward £
Unrestricted funds	2,983,290	1,992,901	(1,420,479)	3,555,712
Restricted funds	-	2,165	(2,165)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,983,290	1,995,066	(1,422,644)	3,555,712
	<hr/>	<hr/>	<hr/>	<hr/>

BRIGHT RED DOT FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

18. Analysis of group net assets between funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	17,775,227	-	17,775,227	17,888,958
Current assets	2,337,092	-	2,337,092	3,186,348
Creditors due within one year	(2,294,081)	-	(2,294,081)	(3,254,113)
Creditors due in more than one year	(14,735,267)	-	(14,735,267)	(15,468,140)
Provisions for liabilities and charges	(13,077)	-	(13,077)	(4,359)
	<u>3,069,894</u>	<u>-</u>	<u>3,069,894</u>	<u>2,348,694</u>

19. Operating lease commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Group	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Between 2 and 5 years	<u>32,690</u>	<u>19,069</u>	<u>-</u>	<u>-</u>

There were no capital commitments as at the 31 March 2014.

20. Controlling party

The company is controlled by the Trustees as disclosed in the Trustees' Report.

21. Principal subsidiaries

The company is the sole member of the following companies which are both limited by guarantee.

Company name	Country	Principal activity
CAN Mezzanine Limited	United Kingdom	Short term letting of office space
Mezzanine 2 Limited	United Kingdom	Short term letting of office space

BRIGHT RED DOT FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

22. Subsidiary undertakings

Bright Red Dot Foundation Limited is the sole member of Mezzanine 2 Limited and CAN Mezzanine Limited, companies limited by guarantee and incorporated in the UK.

	<u>Mezzanine 2 Limited</u>		<u>CAN Mezzanine Limited</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Results for the year				
Income from charitable activities	1,302,531	1,290,471	1,813,972	1,691,860
Resources expended on charitable activities.	(1,184,928)	(1,250,340)	(1,784,956)	(1,647,290)
Surplus/(deficit) for the year	117,603	40,131	29,016	44,570
Aggregate net assets				
Assets	1,294,385	1,201,040	910,131	892,322
Liabilities	(615,943)	(640,201)	(2,057,424)	(2,068,631)
Members funds	678,442	560,839	(1,147,293)	(1,176,309)

23. Funds held as agent

At the balance sheet date the company held £970,483 (2013: £1,050,000) in trust on behalf of West Lindsey District Council. This relates to the Community Enterprise Fund, a restricted fund which is being managed by the company. More information about this fund can be found in the Trustees Report.