

West Kent Extra Limited
Annual Report and Financial Statements
for the year ended
31 December 2019

Company no.	04986819
Charity no.	1104621



West Kent Extra Limited
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Executives and advisors

Status

The organisation is a charitable company limited by guarantee and has no share capital. West Kent Extra was incorporated on 5 December 2003 and registered as a charity on 29 June 2004.

The company was established under the Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Trustees	Colin Wilby (Chair) Tracy Allison (appointed 1 January 2020) Ben Cooper (appointed 19 June 2019) Frank Czarnowski (resigned 31 December 2019) Helen Edwards (appointed 19 June 2019) Joanne Frawley (resigned 19 June 2019) Angela George Brian Horton Megan Morvan (appointed 19 June 2019) Dr Joanne Simpson
Managing Director	Heather Brightwell (appointed 2 January 2019) Will Campbell-Wroe (resigned 2 January 2019)
Secretary	Craig Reynolds
Registered office	101 London Road Sevenoaks Kent TN13 1AX
Auditors	BDO LLP 2 City Place Beehive Ring Road Gatwick, West Sussex RH6 0PA
Bankers	NatWest 67 High Street Sevenoaks Kent TN13 1LA
Solicitors	Trowers & Hamlins Sceptre Court 40 Tower Hill London W1A 4ZW
Registered number	VAT Registration number 927 5219 12

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Trustees' report

The trustees, who are also the directors for the purposes of the Companies Act 2006, present their report for the year below.

The trustees in year are listed on page 1.

Principal activities and review of business

Our aim is to provide and advocate for community based social cohesion and social investment initiatives that add value to the communities of the historic county of Kent.

West Kent Extra is a charitable company limited by guarantee and its charitable objectives emphasise the critical link with West Kent Housing Association and clearly state:

- (a) Why West Kent Housing Association should provide core funding and resources which underpin West Kent Extra; and
- (b) Why West Kent Housing Association should continue to benefit from the development and success of West Kent Extra.

Our original mission statement is reviewed annually and remains unchanged:

'To build and support strong, cohesive and inclusive communities across Kent'

The charity's objectives (as detailed in the Memorandum of Agreement and Articles of Association) are to carry on for the benefit of the community as a charity:

- To encourage, foster, assist and promote such activities of West Kent Housing Association as are charitable and those of any similar organisations, established for charitable purposes, as shall be approved by the trustees from time to time;
- The promotion of urban or rural regeneration in areas of social and economic deprivation and in particular in communities within south east England with a high percentage of social housing tenants;
- The development of the capacities and skills of the inhabitants of communities in south east England with a high percentage of social housing, which the trustees consider are socially and/or economically disadvantaged in such a way that they are better to identify, and help meet, their needs and to participate more fully in society; and
- To promote, for the general benefit of the community, good citizenship and harmony within the community between people of different ethnic, cultural, or age backgrounds and between people with a disability and other people.

The Communities Strategy sets out the theoretical background, strategic aims and objectives of all communities work undertaken by West Kent Housing Association or West Kent Extra either jointly or separately and is supported by an annual action plan. The strategy was reviewed in 2019 and an updated version shared with the West Kent Board and the trustees of West Kent Extra in December 2019.

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. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

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Activities

West Kent Extra currently delivers a range of community projects at locations across Kent (including the unitary authority of Medway). In addition, West Kent Extra supports others to develop and deliver community initiatives through involvement in strategic and operational partnerships and through direct funding for local groups by administering the Linda Hogan Community Fund on behalf of West Kent Housing Association.

Our activities are designed to support the three key elements of what we believe people in communities need to thrive: somewhere to live (covering all basic essential needs, not just housing); someone to love (positive relationships and an understanding of the needs of others, not just oneself); and something to do (positive engagement in worthwhile activity). In 2019 these were further developed into three themes which are:

- Promoting wellbeing and preventing crisis;
- Building active, resilient communities; and
- Strengthening employability, skills and enterprise.

Projects are developed in consultation with residents and local partners and with funding bodies. We look to identify and understand where there are unmet needs in our areas of operation, and work with local people and organisations to build on the assets in the local communities and bring about positive change.

We are committed to partnership and community working and to developing joint initiatives with other agencies that strengthen local provision and avoid duplication of resource. All our projects are staffed by appropriately trained workers and have the support of trained volunteers.

Effects of material estimates and judgements upon performance

Preparation of the financial statements requires management to make significant judgments and estimates. The accounts include an estimated resale value for stock at the furniture projects donated free of charge. This is shown as income in 'Other trading activities'. Stock at the year end includes £12,614 (2018: £8,152) of donated goods. Management monitors the actual sale value and considers whether there is significant change between estimated resale value and actual resale value which might indicate that impairment is required.

The impact of Covid-19 pandemic started after the balance sheet date. The Social enterprise - Furniture project was closed during the lockdown period. We do not expect any deterioration in the net realisable value of the stock held once trading resumes.

Qualifying third party indemnity provisions

The company has no qualifying third-party indemnity provisions in place.

Structure, governance and management

West Kent Extra has set in place a procedure for the appointment of trustees. All trustees are now appointed from the West Kent Housing Association board members. In addition, a structured induction programme has been devised to enable trustees to understand the structure and culture of the organisation.

All staff are regularly monitored to ensure they comply with best practice and maximise opportunities for continuous improvement. Projects are structured and delivered according to the specific needs of the local communities they serve, based on appropriate consultation with key local statutory, voluntary agencies and members of the community itself. The Communities team provides

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operational management for our projects/services with additional critical support provided by West Kent Housing Association. This includes finance, ICT, HR, communications and marketing and service and policy development.

Key management personnel and staff remuneration are regularly monitored against the market. All staff are paid by West Kent Housing Association and seconded to West Kent Extra Limited. Therefore, the remuneration policies of West Kent Housing Association are followed at all times.

Going concern

The charity's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report. The charity has in place sufficient resources to provide adequate resources to finance committed reinvestment, along with the charity's day to day operations.

The trustees reviewed West Kent Extra's financial plans in November and December 2019, as part of their normal annual review and budget setting process, as well as our principal financial risks. At that time, they were satisfied that West Kent Extra had sufficient resources to continue operating for the foreseeable future and accounts have been prepared in the reasonable expectation that West Kent Extra is a financially viable organisation.

Since then, the effect of COVID-19 has also been assessed by the trustees, reviewing the charity's ongoing forecasts and projections to ensure that it remains financially viable; the period considered was to 30 June 2021; the forecasts have been stress tested to identify where the plan is most sensitive. The most significant areas that are most likely to affect the charity's net assets are the level of grant and contract income, and the impact of store closures on the unrestricted income raised by Abacus Furniture stores. We note that the charity does not rely on significant voluntary income from individuals or events, legacy fundraising or investment which have been hardest hit, and the trading income from our furniture stores, whilst important, is not business critical. We have received reassurances from West Kent that it continues to support West Kent Extra and have had positive conversations with other existing funders and commissioners with whom we are working to reshape and evolve our services, including making agreements where we can deliver in different ways, for example through telephone contact or digital programmes. Our worst case scenario shows that we need to utilise our free reserves but there are sufficient levels built up to enable us to do so.

The trustees, in common with other charities, have considered and continue to consider all options to reduce costs and ensure that non-essential services are managed in line with government guidance, to protect staff and customers. As a result we have temporarily closed our Abacus Furniture Stores and stopped face to face activity sessions, including youth clubs, training and employment service sessions and community meetings. We have put those staff (15 as of 28/4/20 – under periodic review) that are not able or required to deliver revamped or other essential charitable services on furlough. We will be availing ourselves of the government support as much as possible during this difficult time and also working with West Kent Housing Association (as the employer of those staff seconded to West Kent Extra) to explore redeployment options.

With these measures, reflecting that some of our planned activity and expenditure will not take place, our likely forecast up to 30 June 2021 show a surplus of £18,570 and increase in free reserves of £28,570. We continue to review options to streamline delivery and reduce expenditure but recognise that this could start to cut into essential services at a time when our beneficiaries need us more than ever. The aim of the trustees is to find a balance that allows us to meet urgent community needs caused or exacerbated by COVID-19 whilst also managing the ongoing security and viability of the charity as a whole.

The trustees will continue to review plans with the Executive Team to make the necessary changes to ensure the reserves policy is maintained. The current risks arising from COVID-19 are an example

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of why the charity holds free reserves and these will be used accordingly to ensure it remains a going concern.

The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. As such, they remain satisfied that West Kent Extra can continue operating for the foreseeable future and accounts have been prepared in the knowledge that West Kent Extra is a financially viable organisation.

Funds and reserves

Restricted funds relate to grants and donations received from funders to support future expenditure on specified services and activities. Unrestricted funds (also known as general reserves) have fewer requirements over their intended use but are invested in the charity's tangible fixed assets, or future expenditure on services and activities as specified by the directors.

There were restricted funds of £34,025 (2018: £41,336) and unrestricted funds of £178,146 (2018: £162,244).

The trustees have established a reserves policy. The charity will hold three months of "direct resources" expenditure as "free reserves".

We define "direct resources" as resources excluding core staff costs expended on the delivery of projects and services. We define "free reserves" as unrestricted funds not committed or invested in tangible fixed assets.

We need to keep free reserves of £108,965 at current operating levels to achieve our reserves policy. The trustees feel able to continue the current activities of the charity, with this level of free reserves, in the event of a significant drop in funding or change in operating landscape. We would consider how the funding would be replaced or activities changed in such an event. The free reserves were £178,146 at 31st December 2019.

Assessment of the effectiveness of internal control

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control, both financial and operational: for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity; for safeguarding the assets of the charity and for reasonable steps for the prevention and detection of fraud and other irregularities. The trustees have reviewed the major risks to which West Kent Extra is exposed, and systems and procedures have been established to manage those risks.

The systems of internal controls (adopted from and shared with West Kent Housing Association) are designed to provide reasonable assurance that:

- The charity is operating efficiently and effectively in the pursuit of its objectives;
- Funds are applied in accordance with the intentions of the funder;
- Assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the charity or for publication is reliable; and
- The charity complies with relevant laws and regulations.

They are also designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. They include:

- A strategic plan and a five-year budget at group level approved by the trustees;
- Regular consideration by the trustees of financial results and variance from budgets;
- Delegation of authority and segregation of duties;

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- A project audit programme involving regular monitoring reports tabled at West Kent Extra board meetings (Communities and Housing Committee); and
- Identification and management of risks.

Fundraising statement

We prepared a Funding Strategic Plan in 2019 to complement the Communities Strategy. Our purpose is to help improve people's lives and strengthen their communities. We achieve our aims with the kind support of our funders, partners and communities.

We make a fundraising statement every year in line with Section 162a of the Charities Act 2011. Our team at West Kent Extra Limited does not undertake fundraising from the public. Individual fundraising is presented in our accounts as donations (nil in 2018, nil in 2019).

We manage all solicitations for funding towards charitable activities. We do not involve commercial participators, professional fundraisers or third parties. Our Senior Management Team has delegated responsibility to manage income generation. The team is accountable to the trustees.

We did not receive any fundraising related complaints in 2019. Our staff behave reasonably, in line with our code of conduct. We have a values-based culture. We promote and train for customer service excellence. We do not approach individuals for funds. We will design specific procedures to monitor activity of individual fundraising if it becomes appropriate. We approach trusts, corporates and local authorities to support our activities.

Our supporters are the Cranfield Trust, Children in Need, Edenbridge Town Council, Golding Homes (Golding Vision), Great Stone Bridge Trust, John Coldman Trust, Kent Community Foundation (Green Family Fund), Kent County Council, Migrant Help, MOAT Foundation, Sevenoaks District Council, Sevenoaks Lions, Stronger Kent Communities, West Kingsdown Parish Council and the Whitehead Monckton Charitable Foundation.

With their support we have been able to support vulnerable young people across Sevenoaks District; furnish houses for people in crisis across Kent; create social impact through our social enterprises; and help people get into training, work or self-employment. We are grateful for their support.

Post balance sheet events

The impact of Covid-19 pandemic occurred after the balance sheet date. The trustees have considered a report on the impact to West Kent Extra. Management reviewed contracts, assets, liabilities and obligations and assessed key criteria and contractual changes in the light of Coronavirus. Existing contracts continued as usual or were adjusted to facilitate continuation e.g. relaxing KPIs for three months on youth contract. We maintained positive relationships with our customers and commissioners and are in regular contact with them. Committed voluntary income from existing funders continued as normal. Many of our grant funders understood the situation and supportive of our cause. Due to social distancing measures some of the contracts were delivered in a different way but the outcomes remained strong.

Due to our inability to maintain social distancing at our social enterprise projects the furniture stores were closed during lockdown. We identified key areas of expenditure to reduce in order to mitigate lost income and target our net income position. We redeployed and furloughed some staff.

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Trustee members' responsibilities

The trustees are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions. They must also disclose the financial position of the charity with reasonable accuracy at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All the current trustees have taken the necessary steps to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information that the auditors are unaware of.

BDO LLP has expressed willingness to continue. A resolution for the re-appointment of BDO LLP as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting on 17 June 2020.

By order of the board



Colin Wilby
Chair of the Board of Trustees

6 May 2020

Strategic report

Objectives and Activities

Mission Statement

We will work with residents to build and support strong, cohesive and inclusive communities across the historic county of Kent.

Vision Statement

We will work to identify the unmet needs of Kent communities and work with partners and residents who share our ethos to directly tackle those needs, or seek to influence others to do so.

Business model

The way we work to achieve our mission is set out in the Communities Strategy 2017-2021 and the supporting Resident Involvement and Training and Employment Strategies. The board members of West Kent Housing Association and the trustees of West Kent Extra receive an annual review and progress report on each of these. In 2019 we also developed a new Funding Strategic Plan to provide greater detail on our approach and operating environment and focus on expanding the pipeline of opportunities to lever in external funding.

During 2019 we carried out a mid-term review of the Communities Strategy to test its ongoing relevance as the framework to direct our resources. Following discussion with staff and trustees we are linking our projects and dividing our resources across three priority outcomes, where we see ongoing need and we have the skills and capacity to be able to make a difference. These are:

- **Promoting Wellbeing and Preventing Crisis**
Relevant West Kent Extra services running in 2019 included the Kent Support and Assistance service and the services hosted by the Abacus Furniture projects which provided families and individuals in need with the essential household goods we take for granted.
- **Building active, resilient communities**
Relevant West Kent Extra services running in 2019 included the Community Hubs we operated on behalf of the Moat Foundation, support to community groups provided through Thriving Local Communities; the management of the Linda Hogan Community Fund on behalf of West Kent and our youth and community work.
- **Strengthening Employability, Skills and Enterprise**
Relevant West Kent Extra services running in 2019 included employability support and job clubs, and the Training for All courses and Pop Up Business Schools we facilitated and funded.

We retain the commitments in the Communities Strategy to provide services only where we have the capacity to deliver with quality, and seek to influence and advocate for others where there is a community need outside our remit. We aim to empower individuals and communities to support themselves where possible in the medium to long term, and work in partnership with residents and a wide range of other organisations to bring the greatest benefit to communities.

Development and performance during the financial year and financial position at the year end

Performance against the key indicators agreed for 2019 is summarised at the end of this report. The 2019 Social Impact report provides additional detail of our all our work and an insight into the impact it has on communities and individuals.

We began 2019 with a number of staff vacancies, including at senior manager level, which reduced our capacity to carry out needs analysis and generate new project ideas. However, our aim for 2019

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was first to consolidate existing services, and we have been able to fulfil this as well as managing excellent performance across our existing projects. We ended the year with the majority of posts filled and a new business development team in place which has increased our capacity to proactively understand need and created a funding pipeline for our growth areas to ensure we are more proactive in our fundraising and can continue to increase our impact.

We were able to meet community need identified by empowering voluntary and community groups to deliver in areas where we ourselves weren't active. In 2019 we worked with 37 small resident and community groups across Kent with one to one advice and support that spanned across several months for some of them, through our work on Thriving Local Communities. We also supported 32 organisations through the Linda Hogan Community Fund.

We concluded a successful Community Hubs project with MOAT Foundation during 2019. This freed up a member of staff in the final quarter of the year to focus on community development identifying community needs and local assets.

Youth and community projects continue to be a big part of our work, with long-standing projects such as HOUSE and the 8-12s Project continuing to evolve and support children and young people to thrive. Despite some difficulty in recruiting to some of our youth work posts, which reduced our outreach delivery across the rural areas of the district, we successfully achieved the key performance indicators for our Sevenoaks District Youth Contract with dedicated schools programmes and local activity sessions and received positive feedback for the quality of our work in the annual 'deep dive' review carried out by the commissioner. We responded to evolving need by expanding the dedicated work available through HOUSE to include a new cookery and life skills project for young people and a crime prevention scheme pilot, and were pleased to win the 'Excellent Community Project' award at the Kent Housing Group Awards for our work at HOUSE and the impact on young people and their community in Edenbridge.

In our training and employment work we have significantly increased our partnership delivery, working with the Citizens Advice Bureau, the RBLI, Job Centre Plus, Bluewater, North Kent College, Golding and Clarion amongst others. This has meant we can now refer residents into job clubs, job brokering services and accredited training opportunities in Tonbridge, Maidstone, Dartford and Gravesham as well as our focussed support and new Job Hub in the Sevenoaks District.

Future prospects

Our Communities Strategy 2017-2021 has a clear ambition to grow the reach of West Kent Extra's work over the next five years. This does not however mean we assume that our funding will increase in a linear fashion; in responding to unmet need, as well as acknowledging the ongoing changes in funding and commissioning opportunities, we acknowledge that some services will come to an end as others grow.

We have indicated above our three priority themes moving forward and intention to try and balance our resources and our offer across them throughout 2020. We plan to develop our asset-based community development in three Kent communities; increase our work with older residents; and build on our crisis prevention and wellbeing services, learning from the experience within the team delivering floating support and social support to a range of clients across the county.

There is an ongoing demand for our youth services, and we see a real need to reach new areas with outreach work that empowers young people to design and develop their own activities. To enable us to do this we began to review and reshape our youth service offer and were pleased to be encouraged to apply to the National Lottery Community Fund for a youth development grant to facilitate the final stage of this in 2020.

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We also carried out a review of our Abacus Furniture Projects (further detail provided below) to improve performance and to prompt thinking about other social enterprise opportunities the charity may wish to explore.

However, the effects of COVID-19 may affect much of this and, whilst our intention is to carry on with this work as much as we can, plans are continually reviewed and changed as circumstances dictate. The commitment to our mission remains undiminished; we continue to respond to identified community need and see that all three of our thematic priorities remain extremely relevant. The management team reacted swiftly to implement our business continuity plans, identifying and prioritising essential services, and we are pleased that the strong relationships we have with our funders and other partners have helped us react swiftly in a way that is aligned with stakeholder priorities and reduces the potential impact on our beneficiaries.

Principal risks and uncertainties

In setting out our 2017-21 strategy we completed an overview of our risks and internal controls. The strategy identified the following key risks and uncertainties that may impact on the achievement of our strategic goals, which were reviewed by the trustees alongside the effectiveness of the risk control framework for each area and the forms of assurance that had been relied upon in arriving at that assessment. The support from West Kent Housing Association is a key risk and they have provided assurance that they support the objectives of West Kent Extra and commit to maintaining the relationship and financial support. The full list identified in the strategy was:

1. inability of West Kent Housing Association to support the Communities Strategy;
2. loss of reputation;
3. drop in commissioning availability of external funding;
4. failure to deliver services appropriately;
5. loss of key partnerships;
6. recruitment and retention of key staff;
7. lack of appropriate skills in team; and
8. failure to assess unmet needs effectively.

The West Kent Board has an appropriate, robust and prudent business planning, risk and control framework which covers the work of West Kent Extra within Communities. This is reviewed annually in the context of our operating environment and opportunities and includes risks such as those presented by Brexit in 2019 as well as ongoing risks such as the economic environment, ICT systems and data protection and security.

We did not identify any 'volatile' risks for our Communities activity in West Kent's overarching Strategic Plan 2019. We did identify three 'business as usual' risks of particular relevance which were business operations and continuity, health and safety and safeguarding. The internal control framework manages and mitigates these by agreeing the appropriate risk appetite and ensuring that controls are in place.

The principal uncertainty currently facing the organisation is the impact of the ongoing global COVID-19 outbreak. The trustees and management continue to monitor the outbreak, including UK Government advice, and acknowledge that the organisation faces a prolonged period of uncertainty. While the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the organisation is in a good financial position to help manage this risk. Steps are being taken, on an ongoing basis, to minimise the impact on the charity's activities and the effect this may have on our supporters and beneficiaries. Infrastructure is in place to allow staff to work remotely and our key priority is to ensure, as far as possible, that we can support our communities across all the three themes of our work as needed. In the first quarter of 2020 the overarching risk register was updated to assess the impact of the Covid19 pandemic.

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Financial and non financial key performance indicators

West Kent Extra has a surplus of £8,591 (2018: deficit £92,955), of which there was an increase in general reserves of £15,902 and a decrease of restricted reserves of £7,311 in the year. West Kent Extra received core funding from West Kent Housing Association of £567,372 (2018: £507,812), this allowed West Kent Extra to deliver community initiatives throughout Kent and Medway. Without this funding West Kent Extra would not be able to operate.

This improved financial performance demonstrates work done through 2019 to review and consolidate the range of our projects and services, including the allocation of resource and staffing costs. We focussed particularly on long-standing projects against their intended impact and viability and options for future development. Having now fully resourced our business development team we have additional support for project managers to work through this.

The social enterprise furniture projects make a contribution to overheads and management time of £24,032. We have three furniture project sites, one of which (Medway Abacus) did not open until May 2019. A full review of the social enterprise model began in 2019 with the kind support of the Cranfield Trust to help position our furniture trading for the future; the resulting changes will be implemented in 2020. The review has not only focussed on financial performance but considers the wider social impact that our staff and volunteers have achieved as a direct result of these three projects. As well as diverting good quality furniture from landfill and supporting people on low income to furnish their homes, they have created training, employment and volunteering opportunities and enabled West Kent Extra to host, participate in or deliver partnership projects such as the Men's Sheds, Starter Packs, the Kent Support and Assistance Service, the Syrian Vulnerable Person's Relocation Scheme and the Re-love a Bike Scheme, supporting those most in need in communities across Kent and Medway.

The performance against key performance indicators for 2019 are shown below. Where this is referring to the combined work of West Kent Housing Association and West Kent Extra this is stated.

2019 Key Performance Indicators	2019 Performance
Secure £1.5m of external funding for Communities work	We ended the year with £1.3m external funding received in year (not counting funding contributed by West Kent Housing Association) secured for Communities projects and services across both West Kent and West Kent Extra. Whilst below stretch target, this reflects the work done through the year to consolidate our services and refocus our priorities; we have not been forced to stop or been unable to develop any critical piece of work due to a lack of external funding.
Operate at least three projects in every district of Kent (<i>including Medway unitary authority</i>)	There was one Kent borough (Canterbury) which did not have operational activity from at least three projects or services in 2019. This includes Communities projects and services which sit across both West Kent and West Kent Extra.
Annual impact report of our work available by March each year	The Social Impact Report was presented to trustees on 20 March 2019 and approved at Board for subsequent distribution in May 2019. Case studies and extracts were used throughout the year.

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2019 Key Performance Indicators	2019 Performance
Commission academic research into the impact of one area of our work each year	We did not commission external academic research in 2019. We continue to work on how we demonstrate our impact and began a partnership with Charityworks in December 2019 to support a graduate placement opportunity which will contribute in the future.
Work with 50,000 beneficiaries per year	We stopped reporting on this indicator during 2019 as we had some questions on the data from some projects and whether this was a useful indicator, given our focus on quality rather than quantity. We are reviewing our key performance indicators in discussion with the trustees.

Approval

This Strategic Report was approved by order of the board on 6 May 2020.



Heather Brightwell
Communities Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST KENT EXTRA LIMITED

Opinion

We have audited the financial statements of West Kent Extra Limited ("the Charitable Company") for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2019 and of its incoming resources and application of resources and the Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

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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 Trustees' report, which includes the Directors' report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's 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 by Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

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, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

E Kulczycki

Elizabeth Kulczycki (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date: 10 June 2020

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

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Statement of financial activities (Incorporating income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations	4	636,159	45,182	681,341	614,688
Charitable activities	5	478,636	-	478,636	475,581
Other trading activities	6	210,768	-	210,768	191,713
Investments	7	496	-	496	171
Total		1,326,059	45,182	1,371,241	1,282,153
<u>Expenditure on:</u>					
Charitable activities	9	(878,944)	(52,493)	(931,437)	(876,359)
Other trading activities	8	(431,213)	-	(431,213)	(498,749)
Total		(1,310,157)	(52,493)	(1,362,650)	(1,375,108)
Net incoming resources and net income for the year		15,902	(7,311)	8,591	(92,955)
Transfers between funds		-	-	-	-
Net movement in funds		15,902	(7,311)	8,591	(92,955)
Fund balances brought forward		162,244	41,336	203,580	296,535
Fund balances carried forward		178,146	34,025	212,171	203,580

The charity has no other recognised gains or losses.

The income and expenditure on this statement derives from continuing activities, except income and expenditure relating to the Swanley Link Café.

The notes on pages 18 to 29 form part of these financial statements.

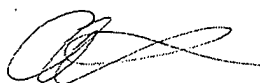
West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Charity balance sheet
Company number No 4986819

	Notes	2019 £	2018 £
Fixed assets:			
Tangible fixed assets	11	24,557	16,765
Current assets:			
Debtors	12	86,242	126,483
Stock	13	14,922	10,482
Cash at bank and in hand		139,614	150,690
		<u>240,778</u>	<u>287,655</u>
Liabilities:			
Creditors: amounts falling due within one year	14	(53,164)	(100,840)
Net current assets		<u>187,614</u>	<u>186,815</u>
Total assets less current liabilities		<u>212,171</u>	<u>203,580</u>
The funds of the charity:			
Unrestricted funds	19	178,146	162,244
Restricted funds	19	34,025	41,336
Total charity funds		<u>212,171</u>	<u>203,580</u>

The financial statements were approved and authorised for issue by the Trustees on 6 May 2020.

Signed on behalf of the Trustees by:



Colin Wilby
Chairman



Tracy Allison
Trustee

The notes on pages 18 to 29 form part of these financial statements.

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for West Kent Extra includes FRS 102 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' the Statement of Recommended Practice applicable to charities, the Companies Act 2006 and applicable accounting standards.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 102. Therefore these financial statements does not include:-

- a statement of cash flows.

The trustees' determined that the functional and presentational currency is pound sterling.

(b) Charity status

The charity is incorporated in the UK under the Companies Act 2006 (Company no. 04986819). West Kent Extra is registered as a charity (Charity commission no. 1104621). It was registered on 5 December 2003.

(c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity 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 the funders or which have been raised by the charity for a particular purpose.

(d) Income

All income arises in the United Kingdom and is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by the way of grants, donations, gifts and gift aid and are accounted for when receivable;
- Charitable activities income received for:
 - Social enterprise - Furniture project from local authority contracts are accounted for when the end user is provided with furniture and starter packs;
 - Training and employment are recognised when receivable; and
 - Community development grants are recognised when receivable.
- Other trading activities includes sales of new furniture and café sales, which are accounted for on the receipt of income, and donated furniture sales accounted for on receipt of donation; and
- Investment income is included when receivable.

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

1 Accounting policies continued

(e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under the heading that aggregates all costs related to that category.

Expenditure on other trading activities for the furniture store relates to the purchase of new saleable items which have been sold and direct overheads. Café costs relate to direct West Kent Housing Association staffing costs, direct overheads and purchase of food supplies for sale.

Charitable activities expenditure includes direct costs for equipment, resources and furniture incurred to deliver activity and direct West Kent Housing Association staffing costs where externally funded.

Support and management costs include governance, general overheads and non direct West Kent Housing Association staff and support costs. These are apportioned on the basis of West Kent Housing Association staff time spent on each of the activities and allocated to expenditure on other trading activities and charitable activities.

The 'Linda Hogan Community Fund' project issues grants. The grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached 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.

Staff costs are recharged from West Kent Housing Association and allocated on the basis of time spent. Support costs are group administration costs allocated based on West Kent Extra's proportions of groups direct costs.

(f) Tangible fixed assets and depreciation

Fixed assets are all classified as Property, Plant and Equipment as per the definition in FRS102 and are held at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their estimated economic lives. It is calculated at the following rate:

	Years
Motor vehicles	5
Computers, office furniture	5
Fixtures & fittings	10

(g) Impairment of fixed assets

Fixed assets are assessed for indicators of impairment at each balance sheet date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts. An option appraisal is carried out to determine the option which produces the highest net realisable value. Valuations on potential sale proceeds are obtained and used to inform the options. The

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

1 Accounting policies continued

company looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use.

(h) Operating Leases

All leases are operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

(i) Irrecoverable VAT

The financial statements include VAT to the extent that it is suffered by the company and not recoverable from HM Revenue and Customs.

(j) Stocks

Purchased stock is valued at the lower of cost and net realisable value. Donated stock is valued at the historic average sales price for similar items.

Net realisable value is based on the estimated selling price less additional costs to completion and disposal. The stock holding is wholly for the social enterprise – furniture projects.

(k) Policy and practice on the payment of creditors

The company does not follow a specific code or statement on payment practice. It is the company's policy to pay its suppliers in accordance with the payment terms agreed at the outset and to honour those terms in full. It is not the company's policy to seek to use its position to impose less beneficial terms at a later stage.

(l) Going concern

The trustees reviewed West Kent Extra's plans in November and December 2019 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

However, the impact of the recent COVID-19 outbreak and its financial effect has meant that the executive team and trustees have been reviewing financial plans to ensure the charity can continue its business-critical activities and remain a going concern. This has included reviewing the impact on trading income and grant and contract income, which we expect to reduce but on the whole be mitigated with a new service delivery plan for 2020-21 which re-shapes current services and seeks savings through the redeployment or furlough of those staff members who are unable to support business critical activities.

The length of the COVID-19 outbreak and the measures taken by the Government to contain this are not known and outside of our control but we have put processes in place to manage cashflow and review financial stability as matters progress. The trustees believe that, while uncertainty

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

1 Accounting policies continued

exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Voluntary income from new funders may be more challenging during lockdown, however this has not stopped new opportunities being secured to help in the Coronavirus response.

The Social enterprise - Furniture project trading income will be lost during the lockdown period due to store closures. We identified key areas of expenditure to reduce in order to mitigate lost income, and target our net income position. Some staff have been furloughed or redeployed to other projects. We do not expect any deterioration in the net realisable value of the stock held once trading resumes.

Cash flow forecasts have been reviewed and the steps taken in redeploying and furloughing staff means there is limited impact to West Kent Extra.

After considering the impact of Covid-19, making enquiries and reviewing the financial plan, the board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in the financial statements.

The potential effect on the balance sheet for 2020 is explained further in Note 21.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

Key judgements

In preparing these financial statements, key judgements have been made in respect of the following:

- Support costs have been allocated on the basis of staff time spent on each of the activities.
- Staff management costs and overhead costs are allocated to activities based on direct expenditure on each of the activities.
- Estimates for the value of donated stock held at year end have been based on historic average selling price for similar items. The impact of Covid-19 pandemic started after the balance sheet date. Post year end sales were halted during lock-down period. We do not expect any deterioration in the net realisable value of the donated stock held once trading resumes.

3 Operating Surplus

	Total 2019	Total 2018
This is arrived at after charging:	£	£
Depreciation of fixed assets	891	15,405
Impairment	-	9,435
Auditors remuneration (excluding VAT)	7,600	10,700
Operating lease charges – land & building	20,615	5,905

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

4 Income from donations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Core funding				
West Kent Housing Association	567,372	-	567,372	507,812
Community development				
8-12's Projects Sevenoaks District	21,755	20,182	41,937	41,457
House Project	33,485	-	33,485	28,360
Help the move	3,250	-	3,250	2,835
Community Hubs (Moat)	495	-	495	-
Social enterprise - Furniture project				
Abacus Furniture Stores	6,260	-	6,260	6,388
Training & employment				
Training & employment	-	25,000	25,000	26,159
Training for all	3,542	-	3,542	1,677
	636,159	45,182	681,341	614,688

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Social enterprise - Furniture project				
Social Fund KSAS	276,285	-	276,285	201,795
Kent SVPRS	11,529	-	11,529	15,400
Starters Packs Project	2,700	-	2,700	5,673
Medway LWP Programme	38	-	38	-
Moat Furniture Bursary	(1,150)	-	(1,150)	7,500
Training & employment				
Training for all	7,294	-	7,294	7,294
Community development				
KCC Youth Contract	75,000	-	75,000	75,000
Community Hubs (Moat)	60,000	-	60,000	80,000
Stronger Kent Communities	18,132	-	18,132	18,116
Community Hubs (Youth)	15,000	-	15,000	16,667
Older Youth Contracts	9,944	-	9,944	10,643
Library Volunteers Programme	3,864	-	3,864	30,912
Commissioned Youth Work	-	-	-	6,581
	478,636	-	478,636	475,581

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

6 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Social enterprise - Furniture project Abacus Furniture Stores	203,180	-	203,180	151,084
Social enterprise - Café - Closed 2019 Swanley Link Café	7,588	-	7,588	40,629
	<u>210,768</u>	<u>-</u>	<u>210,768</u>	<u>191,713</u>

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Bank interest	496	-	496	171
	<u>496</u>	<u>-</u>	<u>496</u>	<u>171</u>

8 Expenditure on other trading activities

	Direct costs £	Allocation of support and staff costs £	Total 2019 £	Total 2018 £
Social enterprise - Furniture project Abacus Furniture Stores	187,876	205,672	393,548	368,492
Social enterprise - Café Swanley Link Café	23,006	11,187	34,193	121,433
Eden Centre Café (Closed)	3,472	-	3,472	8,824
	<u>214,354</u>	<u>216,859</u>	<u>431,213</u>	<u>498,749</u>

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

9 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Community development				
KCC Youth Contract	105,807	-	105,807	106,218
Community Hubs (Moat)	67,076	-	67,076	93,896
8-12's Projects Sevenoaks District	74,391	20,182	94,573	84,051
House Project	59,711	-	59,711	77,555
Community Hubs (Youth)	29,774	-	29,774	41,804
Stronger Kent Communities	25,646	-	25,646	24,614
Linda Hogan Fund	21,041	-	21,041	19,530
Older Youth Contracts	32,792	-	32,792	15,284
Eden Centre Office	7,939	-	7,939	5,521
Library Volunteers Programme	168	-	168	36,272
Swanley Pilot Project	-	-	-	210
Social enterprise - Furniture project				
Social Fund KSAS	383,568	-	383,568	258,460
Kent SVPRS	13,540	-	13,540	17,222
Moat Furniture Bursary	2,054	4,961	7,015	100
Starters Packs Project	3,647	-	3,647	3,054
Medway LWP Programme	-	-	-	(299)
Training & employment				
Training & Employment	37,645	27,350	64,995	88,509
Training for all	14,145	-	14,145	4,358
Tenancy Sustainment	-	-	-	-
Resident Involvement	-	-	-	-
	<u>878,944</u>	<u>52,493</u>	<u>931,437</u>	<u>876,359</u>

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

9 Expenditure on charitable activities continued

	Direct costs	Allocation of support and staff costs	Total 2019	Total 2018
	£	£	£	£
Community development				
KCC Youth Contract	62,582	43,225	105,807	106,218
Community Hubs (Moat)	47,204	19,872	67,076	93,895
8-12's Projects Sevenoaks District	34,697	59,875	94,572	84,051
House Project	36,483	23,229	59,712	77,555
Community Hubs (Youth)	20,259	9,515	29,774	41,804
Stronger Kent Communities	18,047	7,600	25,647	24,614
Linda Hogan Fund	14,805	6,235	21,040	19,530
Older Youth Contracts	9,797	22,995	32,792	15,284
Eden Centre Office	5,587	2,353	7,940	5,521
Library Volunteers Programme	118	50	168	36,272
Swanley Pilot Project	-	-	-	210
Social enterprise - Furniture project				
Social Fund KSAS	269,905	113,663	383,568	258,460
Kent SVPRS	9,528	4,013	13,541	17,222
Moat Furniture Bursary	4,935	2,079	7,014	100
Starters Packs Project	2,566	1,081	3,647	3,054
Medway LWP Programme	-	-	-	(299)
Training & employment				
Training & Employment	27,350	37,645	64,995	88,509
Training for all	5,357	8,788	14,145	4,358
Tenancy Sustainment	-	-	-	-
Resident Involvement	-	-	-	-
	<u>569,220</u>	<u>362,218</u>	<u>931,438</u>	<u>876,358</u>

West Kent Extra Limited
Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

10 Staff costs

All staff were employed by West Kent Housing Association and the cost is charged to West Kent Extra. During the year no expenses were reimbursed to trustees and no trustee received remuneration.

11 Fixed assets

	Plant & Machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2019	41,120	60,224	101,344
Additions	-	8,683	8,683
Disposals	(15,900)	(30,409)	(46,309)
At 31 December 2019	25,220	38,498	63,718
Depreciation			
At 1 January 2019	41,120	34,024	75,144
Charge for year	-	891	891
Disposals	(15,900)	(20,974)	(36,874)
At 31 December 2019	25,220	13,941	39,161
Impairment			
At 1 January 2019	-	9,435	9,435
Charge for year	-	-	-
Released	-	(9,435)	(9,435)
At 31 December 2019	-	-	-
Net book value			
At 31 December 2019	-	24,557	24,557
At 31 December 2018	-	16,765	16,765

12 Debtors

	Total 2019 £	Total 2018 £
Trade Debtors	51,791	58,207
Accrued income	34,451	68,276
Intercompany debtor	-	-
	86,242	126,483

13 Stock

	Total 2019 £	Total 2018 £
Stock of donated furniture	12,614	8,152
Stock of new furniture	2,308	2,330
	14,922	10,482

There is no material difference between the replacement cost of stocks and the amount stated above.

West Kent Extra Limited**Annual Report and Financial Statements for the year ended 31 December 2019****Notes to the financial statements****14 Creditors: Amounts falling due within one year:**

	Total 2019 £	Total 2018 £
Accruals and deferred income	52,672	75,881
Intercompany creditor	492	24,959
	<u>53,164</u>	<u>100,840</u>

Deferred income £5,883 (2018: £36,324) relates to contract income invoiced in advance.

15 Financial Instruments

The charities financial assets measured at historic cost comprise of trade receivables, other receivables, cash and cash equivalents.

The charities financial liabilities measured at historic cost comprise of other creditors and amounts owed to the parent company.

16 Operating Leases

The charity has one non-cancellable operating lease as set out

	2019 £	2018 £
Amounts payable as lessee		
No later than one year	21,500	21,500
Later than one year and not later than five years	86,000	86,000
Later than five years	50,902	72,388
	<u>158,402</u>	<u>179,888</u>

17 Parent undertaking

The charity is a subsidiary undertaking of West Kent Housing Association, a Registered Provider of social housing with charitable objectives. West Kent Extra is considered to be controlled by West Kent Housing Association, due to their power to appoint the trustees. The consolidated accounts of the parent are available to the public and may be obtained from West Kent Housing Association, 101 London Road, Sevenoaks, Kent TN13 1AX.

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

18 Related Parties

West Kent Extra received management services, staff and other services from its parent West Kent Housing Association. West Kent Housing donates the Management and other charges to West Kent Extra. The quantum and basis of those charges is set out below.

	Management charges		Staff costs recharged		Other charges	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
Charged by parent	(449,986)	(401,500)	(289,868)	(352,105)	(117,386)	(106,312)
Donation by parent	449,986	401,500	-	-	117,386	106,312
	-	-	(289,868)	(352,105)	-	-

West Kent Extra considers the key management personnel to be the Trustees, Communities Director and the Head of Communities, there are no transactions between West Kent Extra and the key management personnel and this is set out in note 9.

The Communities Director of West Kent Extra is also a Director of Stronger Kent Communities. Stronger Kent Communities provide grant funding for two projects in West Kent Extra. The funding for West Kent Extra projects were agreed before she became a Director of Stronger Kent Communities.

19 Statement of funds	1 Jan 2019				31 Dec 2019
	b/fwd	Income	Expenditure	Transfers	c/fwd
	£	£	£	£	£
Unrestricted funds	162,244	1,326,059	(1,310,157)	-	178,146
Restricted funds					
Training & Employment	33,911	25,000	(27,350)	-	31,561
8-12's Projects Sevenoaks District	-	20,182	(20,182)	-	-
Moat Furniture Bursary	7,425	-	(4,961)	-	2,464
Total restricted funds	41,336	45,182	(52,493)	-	34,025
Total funds	203,580	1,371,241	(1,362,650)	-	212,171

The restricted funds are to support on going projects where funds have been received with a specific purpose.

Fund received in 2018 for 8-12's Projects Sevenoaks District funds were from Children In Need, and fully used, along with restricted reserves from other sources from the prior year

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

West Kent Extra Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Notes to the financial statements

20 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	24,557	-	24,557
Current assets	207,088	33,691	240,779
Current liabilities	(53,499)	334	(53,165)
	<u>178,146</u>	<u>34,025</u>	<u>212,171</u>

21 Post balance sheet events

Since the 31 December 2019 to the date of signing these financial statements the outbreak of the pandemic COVID-19 has had an economic effect across all sectors and West Kent Extra has considered the effect on the charity as a going concern, its resilience through this period and the effect on its assets and funds. The trustees have reviewed the revised financial plans and agreed a series of activities that should ensure financial stability in these difficult times.

On review of the financial plans to 30 June 2021 the trustees have concluded that this will not affect the ability of the charity to continue as a going concern. We remain resilient through having a clear strategic plan, avoiding undue risk, and sound financial planning and management.

The likely estimated financial effect is £18.6k improved surplus, made up of £41.1k reduction in income, with a planned £59.7k reduction in expenditure to mitigate the effect and ensure that this does not affect our business-critical activities. If the situation were to worsen then the trustees may decide to further reduce activities, though there are no plans to do so at this present time, or apply for a loan or other government support schemes that may emerge in the short term.