

Company registration number: 07607693

Charity registration number: 1143313

# Borderlands (South West) Limited

(A company limited by guarantee)

*Annual Report and Financial Statements*

for the Year Ended 5 April 2016



PRWS (Bristol) Limited  
Chartered Certified Accountants  
11 Alma Vale Road  
Clifton  
Bristol  
BS8 2HL

## **Borderlands (South West) Limited**

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**Borderlands (South West) Limited**  
**Reference and Administrative Details**

**Chairman**

Rev R McKay

**Chief Executive Officer**

Ms H Jones

**Trustees**

Mr A M Bent

Ms E E Emmanuel (appointed 5 May 2016)

Dr J Flannery

Mrs M J Hopper

Rev R McKay

Mr A Stavrou

Mrs M Ulloa

Mrs A J C Webb (appointed 4 May 2016)

**Secretary**

Mr A Stavrou

**Principal Office**

The Assisi Centre  
Lawfords Gate  
Bristol  
BS5 0RE

**Registered Office**

The Assisi Centre  
Lawfords Gate  
Bristol  
BS5 0RE

**Company Registration Number**

07607693

**Charity Registration Number**

1143313

**Bankers**

Co-operative Bank  
PO Box 250, Delf House, Southway, Skelmersdale  
WN8 6WT

## **Borderlands (South West) Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 5 April 2016.

#### **Trustees**

Mr A M Bent

Ms E E Emmanuel (appointed 5 May 2016)

Dr J Flannery

Mrs M J Hopper

Rev R McKay

Mr A Stavrou

Mrs M Ulloa

Mrs A J C Webb (appointed 4 May 2016)

#### **Structure, governance and management**

##### ***Nature of governing document***

The Memorandum and Articles of Association set out the scope of the activities of the Board of Trustees. The governing document of the charity is the Mission Statement and Objects.

##### ***Recruitment and appointment of trustees***

New trustees are recruited from the networks of existing trustees, by recommendation and occasionally by advertising. They are appointed after discussion at a meeting of the trustees. All trustees must have a strong personal commitment to working with marginalised and impoverished people, empowering them to lead positive worthwhile lives and contribute to the community.

##### ***Induction and training of trustees***

The Chair of the charity writes to the prospective trustee/s, setting out their duties and the charity's expectations of them; they are asked to sign and return a copy of the letter. An information pack about the charity is sent to new trustees, and a full formal induction process is delivered. New trustees meet existing trustees and others involved with the charity, such as members of staff, volunteers and beneficiaries. The new trustee/s attend their first board meeting and are duly welcomed. All relevant parties, such as Companies House and the Charity Commission as well as the charity's accountants, bank and solicitors are notified of the new appointment/s. The new trustee/s will receive key documents relating to the charity, with an explanation of their purpose and effect.

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

The staff are : Hilary Jones – Chief Executive, appointed October 2014; and Nese Davidson – Drop-in, Volunteers and Fundraising Manager, appointed February 2015.

In common with many charities, salaries are set by referencing the National Joint Council (NJC) for Local Government Services Pay scale and identifying job roles with similar responsibilities and skills requirements.

In June 2016 the charity commenced its pension scheme for employees setting its contribution at 2% of salary.

## **Borderlands (South West) Limited**

### **Trustees' Report (continued)**

#### ***Organisational structure***

The company is governed and managed by the Board of Trustees which consists of the Chairman and Company Secretary plus other trustees appointed from time to time. Trustees have responsibility for all the activities of the charity and meet quarterly with an additional Vision & Mission weekend in each year.

Day to day management is undertaken by two employed posts – a CEO (Hilary Jones) and a Drop-in, Volunteering and Fundraising Manager (Nese Davidson). Fundraising is undertaken by the Trustees and staff. A team of committed volunteers play a major role in delivering all the services of the charity, and includes a significant number of people using our services, as 'member volunteers'.

#### ***Major risks and management of those risks***

##### ***Risk management***

The trustees have developed a Risk Management Policy and procedure that is reviewed at every Trustees meeting to identify any risks to which the charity could be exposed and ensures appropriate controls and procedures are put in place to provide reasonable protection for our members, volunteers and staff and to ensure the good reputation of the charity.

#### **Objectives and activities**

##### ***Objects and aims***

To relieve asylum seekers and refugees in need, hardship and distress by reason of their social and economic circumstances by such charitable means as the trustees shall determine including the advancement of education, relief of poverty and the preservation and protection of good health.

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society); sexual exploitation.

To advance the education of the public in the subject of those groups mentioned above with the aim of increasing community cohesion and to inform public policy.

For the purpose of this clause, community cohesion is a term to describe how everyone in a geographical area lives alongside each other with mutual understanding and respect.

To promote general charitable purposes for the benefit of the community of Bristol and the surrounding area, and to provide relief from financial hardship and social and/or economic disadvantage and to advance the education of its residents of all ages; and in particular to provide opportunities for the aforementioned residents to participate fully in the life of their community in ways which address and alleviate social and economic disadvantage.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### ***Social investment policies***

Borderlands as a charity does not have the financial capacity to contribute to other charitable causes, however we work in partnership with many charities and organisations locally and regionally to enhance the services and contribution made by the voluntary and community sector to public life.

## **Borderlands (South West) Limited**

### **Trustees' Report (continued)**

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Volunteers***

Our volunteers provide a range for members including board games, crafts, art, conversation, sign-posting and advice and listening support for all our members many of whom have had very difficult life experiences that have made them traumatised or see them suffering from separation from their families, jobs, homes and former lives. It is very hard for them to live successfully in our local culture and they face the constant challenge of enforced poverty which reduces their life opportunities and serves to isolate them from other people in the community. Asylum seekers and refugees require great resilience to overcome these challenges and build a new life in the safety of the UK. Our aim is first and foremost to respect the person and treat them with dignity, listen to them, provide what help we can and to signpost to other agencies when this is appropriate. Volunteers work as a team to produce a free hot lunchtime meal which is often the main meal our members will eat that day. This food is donated by FareShare, a national charity that collects 'on date' food from the major supermarkets and distributes it to charities. This scheme helps to prevent landfill and also helps to feed thousands of people every week. Our Drop-in services are almost entirely delivered by a group of volunteers for which the trustees are very grateful. All new volunteers are provided with volunteer training by our Volunteer Manager including training on Equal Opportunities, Safeguarding, Food Hygiene and Fire Safety. A number of our volunteers have passed exams to achieve a Certificate in Food Hygiene. We hold weekly feedback meetings with our volunteers so that they can contribute to the running and improvement of the charity's services. We have also taken volunteers out to the countryside for team-building days which have been popular and successful.

#### **Employment of disabled persons**

It is the policy of the charity to: employ disabled persons in the job suited to their aptitudes, abilities and qualifications whenever practicable; and endeavour to continue the employment of those who become disabled whilst in the charity's employment either by restructuring the employee's own job - retraining and/or rehabilitation if necessary. This policy is to be read in conjunction with the charity's policy on Equalities and Diversity.

#### **Employee involvement**

All employees participate in an Annual Appraisal of their performance to provide an opportunity for open and full discussion of all employee's contribution to the charity. The Trustees recognise that people are the Borderlands most valued asset and ensure that access to training is available; employees are encouraged to take their holidays and allowed to work flexible hours to meet their family or personal needs.

#### **Achievements and performance**

Drop-in: The Drop in serves asylum-seekers, refugees, and people with immigration issues. Our membership system helps to ensure the Drop-in is a safe space where people who are very impoverished and excluded in society can receive a warm welcome, advice and support to live worthwhile and fulfilled lives. Our membership systems enables us to signpost members to specialist service providers in the area and provide follow-up support where this is appropriate. We provide free English language and Math classes, led by volunteer teachers, to enable members to gain or improve these essential skills to integrate into British culture, enabling them to interact with their community and contribute to social cohesion. Approximately 130 people attended the Drop in on Mondays and Tuesdays each week at which we also played host to other support service providers such as The Haven (Primary Healthcare) and Albany Solicitors (who provide expert immigration advice.) In the summer each year we take a group of members to enjoy the seaside for a day which gives them a welcome opportunity to relax and enjoy the British coast

## **Borderlands (South West) Limited**

### **Trustees' Report (continued)**

**Distribution of food and toiletries:** A bag of donated food and toiletries is distributed to drop-in members occasionally. We aim to do this once per month. We also maintain a store of donated food for people living in food poverty who come and ask for help, especially those of our members who are destitute and living locally in parks or on the streets.

**My Future project:** Achieving 'refugee status' means being given legal permission to remain in the UK by the Home Office, but for the people involved this stage in making the transition from an 'asylum seeker' (someone who does not have permission to stay here) to refugee status is, in itself, another obstacle to overcome. New refugees are almost immediately evicted from their NASS (National Asylum Support Service) accommodation usually to the streets. Being homeless and unemployed presents huge challenges not only to people's physical welfare but also their mental well-being. The My Future project offers new refugees the opportunity to participate in a training course, provided by Borderlands in partnership with other charities with the relevant expertise to provide advice and guidance on how to access employment, housing, welfare benefits and state support. This pilot project started in the Spring of 2016 and so far has been very effective in overcoming barriers and working with 'hard-to-reach' groups who are entitled to access social support but traditionally have not managed to do so very well.

**Fundraising:** Borderlands has grown consistently as a charity since we started in 2011 in terms of our scope of service delivery, number of volunteers and donated income from our many supporters, for which we are deeply grateful. Raising funds for our work will always be an important factor in securing the charity and its short and long term delivery, and a significant concern for everyone involved with Borderlands.

**Campaigning and awareness:** Borderlands has been approached by media companies on a few occasions this year who wish to present a more factual and informed insight into the lives of asylum seekers and refugees in Bristol today, showing the isolation, exclusion, enforced poverty and legal constraints that are their normal situation. Many of our members have had traumatic experiences including the deaths of family and friends in their efforts to escape from persecution from organisations such as Al Qaida, ISIS and Al Shabaab and governments in over 40 countries that do not respect the human rights of everyone equally in their countries and which cause ordinary people to have to flee for their lives. Many British people are not aware of the harsh realities of torture and false imprisonment that some people face around the world and we hope that in participating in such media programmes we are helping to raise awareness so that British people to understand more about asylum seekers and refugees lives. Our Trustees and volunteers regularly give talks in schools, colleges, churches and community groups on the situation of asylum seekers and refugees in the UK. Each year Borderlands participates in a national campaign called Refugee Week and we attend Bristol's Queen's Square event which is a celebration of community and diversity brought about by integrating people from different cultures and nations and seeks to improve social cohesion.

**Legal fund.** The charity has established a Legal fund which, so long as funds are available, provides support to asylum seekers who need to meet a solicitor for legal advice or attend meetings with Home Office officials but do not have the bus fare to attend the meeting, for example, as 'further representations' must now be made in person in Liverpool we have occasionally paid for asylum seekers to attend their meeting. We may also occasionally make a small contribution to the cost of taking legal advice if legal aid funding is not available. Borderlands is working in partnership with other local asylum and immigration charities to deliver this funding to people in need of help.

**Destitution & Emergency fund.** The charity has established a Destitution & Emergency fund which, so long as funds are available, provides support to asylum seekers and refugees who need a small amount of financial help to enable them to solve a problem which could result in them facing severe hardship; for example, failing to attend their regular reporting session to 'sign in' at Patchway Police station which is a legal requirement of all asylum seekers in this area. The Trustees are well aware that people's life chances are severely impacted by poverty and destitution and that a small amount of money can sometimes make a major difference.

## **Borderlands (South West) Limited**

### **Trustees' Report (continued)**

The Trustees have developed criteria for the operation of the Legal and Destitution funds and this work, subject to the availability of funding, has become an important aspect of the charity's scope of service delivery.

**Partnership:** The profile of the charity has become more widely known, and there has been an increase in partnership working with other local charities including Bristol Refugee Rights, Refugee Action, Bristol Hospitality Network, the Red Cross, Crisis Centre Ministries and FareShare. Borderlands is a member of BASRIG, a local forum meeting for organisations working with asylum seekers and refugees in the area.

**Impact:** The Drop-in has continued to welcome asylum seekers, refugees and people with immigration issues every week and we have had 3,316 individual member visits this year. We have 397 registered members who originate from 49 countries worldwide, and they have been supported by 75 local volunteers and member-volunteers. Our volunteers have donated 8,472 hours of their time to our Drop-in this year plus many other events such as Refugee Week, fundraising, public speaking and helping Borderlands to successfully win the funding from the Big Lottery this year. We rely greatly on volunteers for the delivery of our services and in the last year we have delivered over 4,200 English language classes at various levels and 180 Maths classes. Our wonderful volunteers have prepared, cooked and served over 6,000 meals. Our listening, support services and signposting activities have assisted over 300 members to access the wider support services they need.

Investment in the infrastructure of the drop-in, in particular in the kitchen facilities to ensure we comply with Public Health regulations has enabled our services to be managed and delivered more effectively.

The Trustees wish to thank everyone who has donated so generously to support our work with impoverished asylum seekers and refugees; every donation is valued and makes a difference to how much help we can offer people.

### **Strategic Report**

#### **Financial review**

This financial year has seen more significant progress towards establishing the charity on a sound financial footing. There has been an increase in funds raised from individuals, community groups, charitable trusts and companies. The charity also has a page on [www.localgiving.com](http://www.localgiving.com) website.

#### **Policy on reserves**

##### **General Reserves**

In respect of the Charity Commission's new guidance on charity reserves and the need to create resilience within charities' financial planning, the Trustees have established a General Reserves Policy which protects our operations and essential services from the potential risk of disruption at short notice due to a lack of funds, while at the same time ensuring that Borderlands does not retain income for longer than required. The Reserves Policy also provides parameters for future strategic planning and contributes towards decision-making. It determines an appropriate target level for general reserves, taking into account the following factors:

- the operating expenses of the charity in the event of a downturn in income and/or unforeseen increases in costs,
- the costs of closure or wind-down of the core operations of the charity.

This approach provides a target base level of general reserves of £50,000. The basis of determining the target reserves level is kept under periodic review and will be adjusted as perceptions of risk and other factors change.

General reserves are not restricted to or designated for a particular purpose. General reserves increased by £9,731 during 2015/16, and currently stand at £45,665 at 5 April 2016. Notwithstanding this increase they are £4,336 below our target base level of £50,000 and reflect the pressure on our ability to align our unrestricted spend to



## **Borderlands (South West) Limited**

### **Trustees' Report (continued)**

income levels brought about by increased demand for our services against a back drop of challenging economic and global geo-political conditions.

Our future plans are to raise additional funds in order to continue delivering our services while also contributing towards the shortfall in our target base level of general reserves. General reserves are represented by net current assets and are equivalent to approximately six months' committed expenditure at 2015/16 levels which the Trustees feel is an appropriate general reserves level for Borderlands.

#### **Designated and Restricted Funds**

The trustees have designated funds from our unrestricted income to be used for the operation of the Legal and Destitution funds. Subject to continued funding, this work has become an important aspect of the charity's service delivery.

Restricted funds are held separately within the charity's financial accounts and are spent within the time-frame indicated by the donor which may cover more than one financial year.

#### ***Principal funding sources***

During this financial year the charity was successful in raising £109,592 in donated funds. The Trustees wish to thank all our supporters and donors for their commitment to our work.

#### ***Investment policy and objectives***

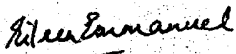
All funds are held in the bank current accounts and are immediately available.

#### **Plans for future periods**

##### ***Activities planned to achieve aims***

Mentoring project: In early 2016 after a huge effort by volunteers and staff alike, Borderlands successfully raised enough public votes for us to win funding from the Peoples Lottery (Big Lottery) to run a Mentoring project for asylum seekers and refugees in Bristol to empower and enable them to live independent and more worthwhile lives. This project will be run during the 2016/17 year.

The annual report was approved by the trustees of the Charity on 25 July 2016 and signed on its behalf by:



Ms E E Emmanuel  
Trustee

## **Borderlands (South West) Limited**

### **Statement of Trustees' Responsibilities**

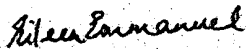
The trustees (who are also the directors of Borderlands (South West) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that 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.

Approved by the trustees of the Charity on 25 July 2016 and signed on its behalf by:



.....  
Ms E E Emmanuel  
Trustee

## **Borderlands (South West) Limited**

### **Independent Examiner's Report to the trustees of Borderlands (South West) Limited**

I report on the accounts of the company for the year ended 5 April 2016 which are set out on pages 10 to 22 .

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Simon Prys-Roberts  
Chartered Certified Accountants

11 Alma Vale Road  
Clifton  
Bristol  
BS8 2HL

25 July 2016

**Borderlands (South West) Limited**

**Statement of Financial Activities for the Year Ended 5 April 2016  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	80,387	29,205	109,592	97,781
Investment income	3	69	-	69	119
Total Income		80,456	29,205	109,661	97,900
<b>Expenditure on:</b>					
Raising funds	4	(9,851)	(4)	(9,855)	-
Charitable activities	5	(73,097)	(29,001)	(102,098)	(68,789)
Total Expenditure		(82,948)	(29,005)	(111,953)	(68,789)
<b>Other recognised gains and losses</b>					
Net movement in funds		(2,492)	200	(2,292)	29,111
<b>Reconciliation of funds</b>					
Total funds brought forward		51,934	21,087	73,021	43,910
Total funds carried forward	14	49,442	21,288	70,730	73,021

All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2015 is shown in note 14.

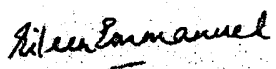
**Borderlands (South West) Limited**

**(Registration number: 07607693)**

**Balance Sheet as at 5 April 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Fixed assets</b>			
Tangible assets	10	734	1,001
<b>Current assets</b>			
Debtors	11	6,836	2,888
Cash at bank and in hand		65,865	73,444
		<u>72,701</u>	<u>76,332</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(2,705)</u>	<u>(4,312)</u>
<b>Net current assets</b>		<u>69,996</u>	<u>72,020</u>
<b>Net assets</b>		<u>70,730</u>	<u>73,021</u>
<b>Funds of the Charity:</b>			
<b>Restricted income funds</b>		21,288	21,087
<b>Unrestricted income funds</b>			
Unrestricted income funds		<u>49,442</u>	<u>51,934</u>
<b>Total funds</b>		<u>70,730</u>	<u>73,021</u>

The financial statements on pages 10 to 22 were approved by the trustees, and authorised for issue on 25 July 2016 and signed on their behalf by:



Ms E E Emmanuel  
Trustee

## Borderlands (South West) Limited

### Statement of Cash Flows for the Year Ended 5 April 2016

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(2,292)	29,111
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	4	267	994
Investment income	3	(69)	(119)
		<u>(2,094)</u>	<u>29,986</u>
<b>Working capital adjustments</b>			
Increase in debtors	11	(3,948)	(1,063)
(Decrease)/increase in creditors	12	(1,606)	4,521
Net cash flows from operating activities		<u>(7,648)</u>	<u>33,444</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	3	69	115
Purchase of tangible fixed assets	10	-	(351)
Net cash flows from investing activities		<u>69</u>	<u>(236)</u>
Net (decrease)/increase in cash and cash equivalents		(7,579)	33,208
Cash and cash equivalents at 6 April		<u>73,444</u>	<u>40,236</u>
Cash and cash equivalents at 5 April		<u>65,865</u>	<u>73,444</u>

All of the cash flows are derived from continuing operations during the above two periods.

## **Borderlands (South West) Limited**

### **Notes to the Financial Statements for the Year Ended 5 April 2016**

#### **1 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Borderlands (South West) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Transition to FRS 102**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

All the assets and liabilities were reviewed and no restatement or reclassification was required relating to the transition to FRS 102.

##### **Reconciliation of charity funds and balances**

	<b>6 April 2015</b>
	<b>£</b>
Fund balances as previously stated	<u>73,021</u>

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

## **Borderlands (South West) Limited**

### **Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)**

#### **1 Accounting policies (continued)**

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

##### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in activities that raise funds.

##### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories.

##### **Governance costs**

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustee's meetings and reimbursed expenses.

##### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.



## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 1 Accounting policies (continued)

##### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	25% of cost on a straight line basis

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### 2 Income from donations and legacies

	Unrestricted funds		Total 2016	Total 2015
	General £	Restricted funds £	£	£
Donations and legacies;				
Donations from companies, trusts and similar proceeds	36,597	11,455	48,052	34,448
Donations from individuals	40,439	14,200	54,639	60,445
Gift aid reclaimed	3,351	3,550	6,901	2,888
	<u>80,387</u>	<u>29,205</u>	<u>109,592</u>	<u>97,781</u>

## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 3 Investment income

	Unrestricted funds		
	General £	Total 2016 £	Total 2015 £
Interest receivable and similar income;			
Interest receivable on bank deposits	69	69	115
Other investment income	-	-	4
	69	69	119

#### 4 Expenditure on raising funds

##### Costs of generating donations and legacies

		Unrestricted funds		
	Note	General £	Restricted funds £	Total 2016 £
Allocated support costs	6	9,851	4	9,855

#### 5 Expenditure on charitable activities

	Unrestricted funds			Total	Total
	Designated	General	Restricted funds	2016	2015
	£	£	£	£	£
Principal activity	15,103	57,994	27,643	100,740	67,378

## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 6 Analysis of governance and support costs

##### Raising funds expenditure

##### Costs of generating donations and legacies

		Unrestricted funds	Total 2016 £
	Basis of allocation	General £	
Print and production of materials	A	3,055	3,055
Salaries	A	6,800	6,800
		<u>9,855</u>	<u>9,855</u>

##### Charitable activities expenditure

		Unrestricted funds	Total 2016 £
	Basis of allocation	Designated £	
Support costs	A	11,286	11,286

##### Basis of allocation

Reference	Method of allocation
A	As arising

##### Governance costs

	Restricted funds £	Total 2016 £	Total 2015 £
Independent Examiner's remuneration	<u>1,358</u>	<u>1,358</u>	<u>1,410</u>

#### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 8 Staff costs

The aggregate payroll costs were as follows:

## **Borderlands (South West) Limited**

### **Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)**

#### **8 Staff costs (continued)**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	44,205	18,246
Social security costs	1,782	965
Other staff costs	<u>2,329</u>	<u>6,289</u>
	<u><b>48,316</b></u>	<u><b>25,500</b></u>

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	<b>2016</b>	<b>2015</b>
	<b>No</b>	<b>No</b>
Employed staff	<u><b>2</b></u>	<u><b>2</b></u>

No employee received emoluments of more than £60,000 during the year.

#### **9 Taxation**

No tax was charged in the year (2015 - £nil).

## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 10 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 6 April 2015	2,544	2,544
At 5 April 2016	2,544	2,544
<b>Depreciation</b>		
At 6 April 2015	1,543	1,543
Charge for the year	267	267
At 5 April 2016	1,810	1,810
<b>Net book value</b>		
At 5 April 2016	734	734
At 5 April 2015	1,001	1,001

#### 11 Debtors

	2016 £	2015 £
Other debtors	6,836	2,888

#### 12 Creditors: amounts falling due within one year

	2016 £	2015 £
Other taxation and social security	80	523
Other creditors	-	35
Accruals	2,625	3,754
	2,705	4,312

#### 13 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10.00 towards the assets of the Charity in the event of liquidation.

# Borderlands (South West) Limited

## Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

### 14 Funds

	Balance at 6 April 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2016 £
<b>Unrestricted funds</b>					
<i>Unrestricted general funds</i>					
General fund	35,933	80,456	(62,298)	(8,426)	45,665
<i>Unrestricted designated funds</i>					
Destitution and emergency fund	10,001	-	(12,879)	2,878	-
Legal fund	6,000	-	(2,223)	-	3,777
	<u>16,001</u>	<u>-</u>	<u>(15,102)</u>	<u>2,878</u>	<u>3,777</u>
<b>Total unrestricted funds</b>	<u>51,934</u>	<u>80,456</u>	<u>(77,400)</u>	<u>(5,548)</u>	<u>49,442</u>
<b>Restricted funds</b>					
Charity shop fund	7,500	-	-	-	7,500
Destitution and emergency fund	3,187	6,250	(5,787)	-	3,650
Drop in fund	(58)	-	-	58	-
Other funds	-	12,955	(12,817)	-	138
Salary and consultancy fund	9,618	10,000	(9,618)	-	10,000
Kitchen renovation fund	840	-	(6,330)	5,490	-
	<u>21,087</u>	<u>29,205</u>	<u>(34,552)</u>	<u>5,548</u>	<u>21,288</u>
<b>Total restricted funds</b>	<u>21,087</u>	<u>29,205</u>	<u>(34,552)</u>	<u>5,548</u>	<u>21,288</u>
<b>Total funds</b>	<u>73,021</u>	<u>109,661</u>	<u>(111,952)</u>	<u>-</u>	<u>70,730</u>
	Balance at 6 April 2014 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2015 £
<b>Unrestricted funds</b>					
<i>Unrestricted general funds</i>					
General fund	23,223	45,909	(25,295)	(7,904)	35,933
<i>Unrestricted designated funds</i>					
Destitution and emergency fund	6,001	-	-	4,000	10,001
Legal fund	6,000	2,004	(5,152)	3,148	6,000
	<u>12,001</u>	<u>2,004</u>	<u>(5,152)</u>	<u>7,148</u>	<u>16,001</u>

## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 14 Funds (continued)

	Balance at 6 April 2014 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2015 £
<b>Total unrestricted funds</b>	<u>35,224</u>	<u>47,913</u>	<u>(30,447)</u>	<u>(756)</u>	<u>51,934</u>
<b>Restricted funds</b>					
Charity shop fund	-	7,500	-	-	7,500
Destitution and emergency fund	3,187	9,486	(10,242)	756	3,187
Drop in fund	4,933	1,000	(5,991)	-	(58)
Salary and consultancy fund	565	24,750	(15,697)	-	9,618
Kitchen renovation fund	-	7,250	(6,410)	-	840
<b>Total restricted funds</b>	<u>8,685</u>	<u>49,986</u>	<u>(38,340)</u>	<u>756</u>	<u>21,087</u>
<b>Total funds</b>	<u>43,909</u>	<u>97,899</u>	<u>(68,787)</u>	<u>-</u>	<u>73,021</u>

The specific purposes for which the funds are to be applied are as follows:

**Charity Shop Fund:** This is a restricted donation made to enable the charity to invest establishing a shop when and if suitable premises can be located.

**Destitution and Emergency fund,** provides limited financial support to asylum seekers, refugees and those with immigration issues suffering hardship and destitution, and to people in the local area who are faced with a sudden crisis in their lives which impacts on their already precarious financial situation.

**Drop-in fund.** Serves asylum-seekers, refugees, and people with immigration issues. It provides a safe space where people with very limited or no financial resources can receive a warm welcome and feel included. Also free English language classes, led by volunteer teachers, to provide them with the essential skills to integrate into British culture, enabling them to interact with their neighbours and contribute to social cohesion.

**Salary and Consultancy Fund.** Provides funding for paying key staff who organise fundraising and the delivery of the Charity's services to beneficiaries.

**Legal fund.** Provides payment for the provision of legal services to asylum seekers, refugees and those with immigration issues in circumstances where Legal Aid has been exhausted, refused, or is not available.

**Other funds.** Restricted funds provided by donors for: Refugee Week, the provision of educational services, and accounting services. These were fully expended with the exception of £138 carried forwards in respect of accounting services.

The transfers were all from the General fund to make good deficits on certain Restricted and Designated funds

## Borderlands (South West) Limited

### Notes to the Financial Statements for the Year Ended 5 April 2016 (continued)

#### 15 Analysis of net assets between funds

	Unrestricted funds			Total funds £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	734	-	-	734
Current assets	47,635	3,778	21,288	72,701
Current liabilities	(2,705)	-	-	(2,705)
Total net assets	<u>45,664</u>	<u>3,778</u>	<u>21,288</u>	<u>70,730</u>

#### 16 Analysis of net funds

	At 6 April 2015 £	Cash flow £	At 5 April 2016 £
Cash at bank and in hand	73,444	(7,579)	65,865
Net debt	<u>73,444</u>	<u>(7,579)</u>	<u>65,865</u>

#### 17 Related party transactions

There were no related party transactions in the year.