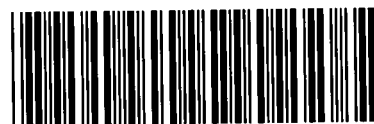


Charity number: SC042448
Company number: SC403138

Merry Go Round Glasgow
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 March 2017

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Merry Go Round Glasgow
(A company limited by guarantee)

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Merry Go Round Glasgow
(A company limited by guarantee)

Legal and administrative information

Charity number SC042448

Company registration number SC403138

Business address 32-34 Nithsdale Road
Glasgow
G41 2AN

Registered office 57 Newlands Rd
Glasgow
G43 2JP

Trustees Samantha Moir
Louise Allan
Laura Thom
Lynne Dent
Ross Burns

Chairperson

Appointed 22 November 2016
Appointed 24th January 2017

Secretary Laura Thom

Accountants 23W Limited
23 Woodvale Ave
Glasgow
G46 6RG

Merry Go Round Glasgow
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2017

The trustees present their report and the financial statements for the year ended 31 March 2017. The trustees, who are also directors of Merry Go Round Glasgow for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

The company is incorporated as a company limited by guarantee without share capital. The liability of the members is limited to £1. The company is registered as a Scottish Charity No. SC042448.

The charity is governed by its Articles of Association, incorporated on 7th July 2011.

Appointment of Trustees and Governance

Trustees are elected at the Annual General Meeting on the basis of nominations received from members. Trustees may also be co-opted during the year to fill vacancies. Merry-Go-Round Glasgow has a board of Trustees who meet regularly and are responsible for the strategic direction and policy of the charity. At present the Board has five members from a variety of professional backgrounds relevant to the work of the charity.

Trustee appointments

The charity looked to develop and expand the board this year with a review of skills, creation of a board pack, skills matrix and role profiles. On the back of this, we recruited two new board members. Lynne Dent (from Aug 16) and Ross Burns (Jan 17).

Objectives and activities

Objects and Activities

The objects of the Trust shall be to advance education for the public benefit and in particular: The prevention or relief of poverty, the advancement of citizenship or community development, the advancement of environmental protection or improvement.

Achievements and performance

Overall performance

The trustees are happy at the overall performance of the business and achievements throughout the year with total customer sales increasing 7% on last year. This years focus has been on developing additional sales opportunities in order to find outlets for an increasing number of donations.

All activity results in Merry-go-round being able to meet it's charitable aims of: providing low cost goods to the community, accepting donations of unwanted children's goods, providing volunteering and employment opportunities, and bringing the community together through social and supportive activities.

The charity is increasingly investing in staff development and growth of the business and income as well as expanding the partnership and events programme in line with our communities' needs.

Merry Go Round Glasgow

(A company limited by guarantee)

Report of the trustees (incorporating the directors' report) **for the year ended 31 March 2017**

This year's focus

This year, the main aim has been to find additional sales opportunities and storage/processing solutions for our increasing number of donations. To this end, we have:

- Delivered two local parenting Fayres. The second one being double the size of the first.
- Held a large one-day clearance sale in a local venue
- Set up a pop up shop in Bridgeton, within a partner organisation open 3 afternoons a week from Nov 16.
- Opened a concession space in a partner organisations shop in Johnstone, open 3 afternoons per week from June 16.
- Ran a very successful 3-day sales event in the Briggait in Glasgow City Centre in Aug 16.
- Secured a lease on additional storage/sorting space from Jan 17.
- Began selling unique items and pram parts on e-bay from Jan 17.

Events

Over the course of this year, Merry-go-round hosted 309 events with 1798 people attending in total.

An events survey was carried out and additional events created to ensure that we are continuing to meet the needs of our community. We continue to host a range of different types of regular events to appeal to a wide audience and to maintain the balance of free support classes with chargeable activities. Our programme includes support activities, meet ups, one off information events, seasonal events and community events such as disco's, parenting fayre's Christmas Fayre's and Strathbungo's Window Wanderland and Bungo in the Back lanes.

Funding

Zero Waste Scotland's Capacity grant funding helped us to deliver a 3 day sale at the Briggait in Glasgow. It also supported us to collect and deliver items in our van, thus increasing the amount of useable goods that find a new home.

The Robertson Trust continued to support us with 50% of a Partnership Officer salary, the remaining 50% coming from the Glasgow City Council Graduate fund.

The Charity also secured Awards for All funding in this financial year for next financial year which will allow us to continue and expand the pop up activities and additional sales outlets.

The People's Projects at the Big Lottery kindly donated £500 to the charity towards additional sales events.

Staffing

The charity also focussed on staff development this year with a development day held to understand key priorities. Changes to working hours, a rewards scheme and staff appraisal system were all subsequently implemented.

We ended the year with 5 paid staff (4.4FTE).

Partnership programme

Our partnership programme has continued to go from strength to strength with a total of 322 free packs delivered to families in need. We delivered 65 packs in December alone. This year an additional 12 agencies registered with us, bringing the total to 53.

Our Partnership officer is looking to expand the range of packs that we offer and simplify the service, so that we can better meet the needs of the families that we work with.

Merry Go Round Glasgow
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2017

Financial review

The total income for the year ended 31st March 2017 was £98,180 (2016: £107,140). Income from grant funding amounted to £ 29,188 (2016: £43,548).

Total expenditure was £112,507 (2016: £104,976) leaving net expenditure for the year of £14,327 (2016: net income £2,164).

Funds carried forward at the end of the year total £21,521 of which £21,446 are unrestricted and £75 restricted.

Purpose of unrestricted funds

The aim is for unrestricted funds provide no less than 3 months trading costs and are a contingency against unexpected costs or a downturn in shop income.

Plans for future periods

The main focus for the upcoming year will be to expand on our additional sales outlets and pop up events. Our Partnership Programme will also continue and expand and we plan on using the additional storage/sorting space to make our processing of donations more efficient and hope to recruit additional staff and volunteers to support this.

Statement of trustees' responsibilities

The trustees (who are also directors of Merry Go Round Glasgow for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

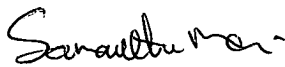
Merry Go Round Glasgow
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2017

Small company provisions

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

On behalf of the board

A handwritten signature in black ink, appearing to read 'Samantha Moir', with a stylized flourish at the end.

Samantha Moir
Director

21 December 2017

Merry Go Round Glasgow
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Merry Go Round Glasgow.

I report on the accounts for the year ended 31 March 2017 set out on pages 2 to 15.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. 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 state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

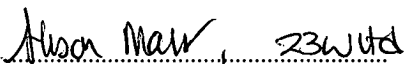
Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view'.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:
 - proper accounting records are kept in accordance with section 386 of the Companies Act 2006; and
 - accounts are prepared which agree 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; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

 23W Ltd

21st December 2017

Alison Marr

Chartered Accountant (ICAS)

Independent examiner

23W Limited

23 Woodvale Ave

Glasgow

G46 6RG

Merry Go Round Glasgow
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Incoming & Endowments from:					
Charitable activities	2	68,986	29,188	98,174	107,125
Investments	3	6	-	6	15
Total income		<u>68,992</u>	<u>29,188</u>	<u>98,180</u>	<u>107,140</u>
Expenditure on charitable activities:					
Purchases		3,568	2,940	6,508	4,242
Commission paid		2,151	-	2,151	1,897
Staff costs	5	48,857	22,541	71,398	69,930
Operating leases		12,382	1,084	13,466	12,000
Establishment costs		5,864	349	6,213	6,627
Motor and travelling expenses		2,765	1,252	4,017	3,192
Independent Examiners fee		720	-	720	720
Legal and professional fees		567	-	567	243
Communications and IT		1,158	-	1,158	808
Post & stationery		649	-	649	213
Shop & office consumables		2,406	303	2,709	1,574
Depreciation and impairment		771	96	867	667
Advertising & marketing		507	719	1,226	1,566
Other costs		-	-	-	626
Merchant Charges		858	-	858	671
Total expenditure		<u>83,223</u>	<u>29,284</u>	<u>112,507</u>	<u>104,976</u>
Net incoming/(expenditure) and net movement in funds for the year /		(14,231)	(96)	(14,327)	2,164
Reconciliation of Funds					
Total funds brought forward		<u>35,677</u>	<u>171</u>	<u>35,848</u>	<u>33,684</u>
Total funds carried forward		<u>21,446</u>	<u>75</u>	<u>21,521</u>	<u>35,848</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 15 form an integral part of these financial statements.

Merry Go Round Glasgow
(A company limited by guarantee)

Balance sheet
as at 31 March 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	8		790		857
Current assets					
Debtors	9	1,203		12,854	
Cash at bank and in hand		29,042		33,003	
		<u>30,245</u>		<u>45,857</u>	
Creditors: amounts falling due within one year	10	(9,514)		(10,866)	
Net current assets			<u>20,731</u>		<u>34,991</u>
The total net assets of the charity	11		<u>21,521</u>		<u>35,848</u>
The total net assets of the charity are funded by the funds of the charity as follows:-					
Restricted income funds			75		171
Unrestricted funds			21,446		35,677
Total charity funds			<u>21,521</u>		<u>35,848</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 15 form an integral part of these financial statements.

Merry Go Round Glasgow
(A company limited by guarantee)

Balance sheet (continued)

**Trustees statements required by the Companies Act 2006
for the year ended 31 March 2017**

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2017.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 and 387 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 6.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the board on 21 December 2017 and signed on its behalf by



Samantha Moir
Director

The notes on pages 10 to 15 form an integral part of these financial statements.

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by The Office of the Scottish Charity Regulator (OSCR), effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration.

1.2. Cashflow

The charity has taken advantage of the exemption in FRS102 SORP (paragraph 14.1) from the requirement to produce a cashflow statement because it is a small charity.

1.3. Accounting for income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Income received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from the charity shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

1.4. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities comprise the costs associated with attracting grant income and the costs of trading for fundraising purposes including the charity's shops.

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.

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery - 25% straight line

1.6. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are grants or donations which the funder has specified are to be used for specific projects undertaken by the Charity.

Allocation of support costs

Support costs, such as payroll and governance costs, have all been allocated against expenditure on charitable activities.

2. Charitable activities

	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income from shops and events	68,030	-	68,030	63,507
Grant income		29,188	29,188	43,548
	<u>68,030</u>	<u>29,188</u>	<u>97,218</u>	<u>107,055</u>

3. Investment income

	Unrestricted funds £	2017 Total £	2016 Total £
Bank interest receivable	6	6	15
	<u>6</u>	<u>6</u>	<u>15</u>

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

4. Net (deficit)/surplus in the financial year

	2017	2016
	£	£
Net (deficit)/ surplus in the financial year is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	867	667
Operating lease rentals		
- Land and buildings	<u>13,466</u>	<u>12,000</u>

5. Employees

Employment costs	2017	2016
	£	£
Wages and salaries	70,210	69,828
Social security costs	1,027	-
Other costs	<u>161</u>	<u>102</u>
	<u>71,398</u>	<u>69,930</u>

No employee received emoluments of more than £60,000 (2016 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2017	2016
Number	Number
<u>5</u>	<u>5</u>

6. Trustees' emoluments

No emoluments were paid to any trustee during the year. Consultancy fees of £nil (2016:£230) were paid to trustee Samantha Moir during the year. The fees were in respect of the management and co-ordination of grant spend, recruitment and management of sessional staff, co-ordinating of activities and monitoring and reporting against milestones.

7. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

8. Tangible fixed assets

	Plant and machinery	Total
	£	£
Cost		
At 1 April 2016	2,668	2,668
Additions	800	800
At 31 March 2017	<u>3,468</u>	<u>3,468</u>
Depreciation		
At 1 April 2016	1,811	1,811
Charge for the year	867	867
At 31 March 2017	<u>2,678</u>	<u>2,678</u>
Net book values		
At 31 March 2017	<u>790</u>	<u>790</u>
At 31 March 2016	<u>857</u>	<u>857</u>

9. Debtors

	2017	2016
	£	£
Other debtors	<u>1,203</u>	<u>12,854</u>

**10. Creditors: amounts falling due
within one year**

	2017	2016
	£	£
Other taxes and social security	993	-
Accruals and deferred income	8,521	10,866
	<u>9,514</u>	<u>10,866</u>

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

11. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2017 as represented by:			
Tangible fixed assets	715	75	790
Current assets	30,245	-	30,245
Current liabilities	(9,514)	-	(9,514)
	<u>21,446</u>	<u>75</u>	<u>21,521</u>

12. Unrestricted funds

	At 1 April 2016 £	Incoming resources £	Outgoing resources £	At 31 March 2017 £
General Fund	<u>35,677</u>	<u>68,992</u>	<u>(83,223)</u>	<u>21,446</u>

Purposes of unrestricted funds

This balance will be used in the future running of the charity.

13. Restricted funds

	At 1 April 2016 £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	At 31 March 2017 £
Designated fund	<u>171</u>	<u>29,188</u>	<u>(29,284)</u>	<u>-</u>	<u>-</u>	<u>75</u>

Purposes of restricted funds

Net book value of fixed assets purchased with grant funding.

Analysis of Funding

	Amounts b/f 1 April 2016	Amounts rec'd in yr	Amounts spent in yr	Funds c/f 31 March 2017
Robertson Trust	6,221	11,000	9,615	7,606
Other funders	-12853	32,426	19,573	-
	<u>-6632</u>	<u>43,426</u>	<u>29,188</u>	<u>7,606</u>

14. Indemnity insurance

The charity paid for the insurance premiums to indemnify trustees and senior staff from any loss arising from neglect or defaults of trustees or staff and any consequent loss.

Merry Go Round Glasgow
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2017

15. Company limited by guarantee

Merry Go Round Glasgow is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.