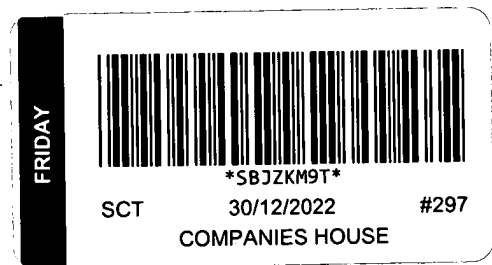


REGISTERED COMPANY NUMBER: SC403138 (Scotland)

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2022
for
Merry-Go-Round Glasgow



Key Professional Partnership Ltd
Unit 3
37 Rosyth Road
Morris Park
Glasgow
G5 0YD

Merry-Go-Round Glasgow

Contents of the Financial Statements
for the Year Ended 31 March 2022

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Merry-Go-Round Glasgow

Report of the Trustees
for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charity as set out in its governing document 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.

The main activities undertaken in relation to those purposes is the provision of 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.

ACHIEVEMENTS AND PERFORMANCE

This financial year saw an extremely strong recovery in our core business although it ended materially better than it started. We remained closed at the start of the year as a result of flooding damage which caused substantial damage to our retail premises. However once we reopened (late April), shop performance went from strength to strength. Reinvigoration of the retail industry following Covid closures along with strong demand for our offering as a result of financial pressures felt in many households, plus a continuing increase in interest in buying second-hand, meant we out-performed our financial targets for the year by some considerable margin. We achieved sales of almost £144K for the year against a target of £118K and ended the year with a surplus of £60,800.

Overall performance

A combination of strong retail performance, plus the ongoing support we have received from a number of external organisations has meant we have continued to grow our team and improve business performance. This financial year we have received £122,964 of external funding. Income from sales at year end is up fourfold (£144K versus £35,300 in 2020-21), customer numbers are up from 2700 to almost 11,000, the number of items sold has increased from 15k to almost 50,000 and the total weight diverted from landfill has gone up from just under 5 tonnes to just under 14 tonnes.

This year's focus has continued to be aligned to our core aims of:

- " Making available low cost, high quality, second-hand baby goods
- " Supporting local families through a wide range of groups and activities
- " Aiming to create happier families by improving the wellbeing of children / parents in the early years through our partnership work, volunteering opportunities and events.

Our team agreed a new set of OKRs (objectives and key results) to guide our business plan in June 2021:

1. To be entirely self-funded by 2023 (this refers to our core costs; all shop and sorting staff and overheads).
2. To encourage families to look at their environmental impact and reduce it.
3. To provide a social space and build a community for families.
4. To provide low income families with goods via our partners in the community.

Our mission agreed with our expanded team at the end of FY21 is;

"To be the first choice for parents in Glasgow. Our boutique shop offers high quality, affordable, pre-loved, essential items as well as being a community hub for families to meet, learn, exchange ideas, relax and be supported. We're changing the perception of second-hand goods, saving families money, improving mental health and wellbeing, and reducing the quantity of new goods purchased."

This year's focus

This financial year has saw us seek to rebuild and regenerate our business from a standing start. The twin impacts of Covid, as well as the unfortunate closure of our main retail outlet as a result of flood damage, meant there was a lot of opportunity to improve however we were unsure how the year was going to play out.

We therefore focused on:

Merry-Go-Round Glasgow

Report of the Trustees for the Year Ended 31 March 2022

" Improving our planning capability, setting clear targets for each department, driving ownership for achieving these outcomes, and tracking progress to meeting our goals.

" Reintegrating our entire team back into the world of work after so much upheaval and extending.

" Continuing to secure additional funding given the uncertainty in the external environment.

Events

Over the course of this year, Merry-go-round hosted 559 events for 3500 people. This 65% increase continued to build on last year's progress. As well as the successful rebound on in-person event numbers (1900), we also continued to grow our online event numbers (1500), allowing us to continue to focus on providing a broader and more frequent range of events for the community. We're pleased that despite the shop re-opening and us seeing a huge increase in in-person events, we have continued to grow our online events and see this as a being an ongoing priority for us.

Funding

Merry-go-Round successfully secured funding this year from a number of sources totalling £122,964. This is decreased from last year given the unique circumstances that prevented us from trading in the financial year 2020-21.

The majority of funding came from; Glasgow Communities Fund, Cattanach, Adapt and Thrive and Robertsons' Trust.

Staffing

Even more than in previous years we have tried to be open and transparent with our entire team with regards to our financial performance, and have worked closely with all our colleagues to devise and agree our business plan and OKRs. Our team were both relieved and glad to be back at work in 2021 and their renewed energy and commitment has been a key driver of our business performance this year.

Departmental teams continue to have responsibility for their own budgets and the OKR approach we have implemented appears to be bearing fruit, both in terms of the clarity we have on progress and achievement of business goals.

We ended the year with 13 paid staff (7 FTE) as of March '22. A reflection of our improved business performance and investment in key areas.

Trustees

Stuart Meiklejohn joined the board in November 2021.

Carousel programme

As with our retail arm, we also saw increased demand for our Carousel programme (previously called Partnership programme). We almost doubled the number of packs distributed (800) and also registered an additional 27 agencies to be part of the programme. Whilst this does not generate revenue, it continues to be an important part of the service we offer to the local community and we can only see demand for this service increasing, particular given the current climate.

Future Activity

We are already halfway through 22-23 and it seems that Covid is now behind us, at least for the time being. At the time of writing this report, we continue to see buoyant demand in our retail store and are on track to exceed our targets.

We continue to focus on building and strengthening our team and have recommenced our mega sale events now that the world has reopened. We'll continue to build on these as well as securing a new Hub processing site given the changes afoot in Shawlands.

Merry-Go-Round Glasgow

Report of the Trustees for the Year Ended 31 March 2022

We have sought feedback from our team via an engagement survey and are seeking to respond to this, with a particular focus on reward and recognition and improvements to working environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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.

Trustees

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC403138 (Scotland)

Registered Charity number

Registered office

57 Newlands Road
Glasgow
G43 2JP

Trustees

L Allan
L Dent
S Moir
L Thom
P Stewart

Company Secretary

Thomas Collins

Merry-Go-Round Glasgow


Report of the Trustees
for the Year Ended 31 March 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Stephen A Usher
Chartered Accountant (ICAS)
Key Professional Partnership Ltd
Unit 3
37 Rosyth Road
Morris Park
Glasgow
G5 0YD

Approved by order of the board of trustees on 22 December 2022 and signed on its behalf by:


Samantha Moir (Dec 22, 2022 15:42 GMT)

S Moir - Trustee

Independent Examiner's Report to the Trustees of
Merry-Go-Round Glasgow

Independent examiner's report to the trustees of Merry-Go-Round Glasgow ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant (ICAS) which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Stephen A Usher
Chartered Accountant (ICAS)
Key Professional Partnership Ltd
Unit 3
37 Rosyth Road
Morris Park
Glasgow
G5 0YD

Date: 22/12/2022

Merry-Go-Round Glasgow

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2022

	Notes	Unrestricted fund £	Restricted fund £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		4,307	-	4,307	-
Charitable activities					
Charitable activities		191,340	75,123	266,463	223,069
Investment income	2	26,265	-	26,265	52
Total		<u>221,912</u>	<u>75,123</u>	<u>297,035</u>	<u>223,121</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities		176,072	59,380	235,452	1,562
Other		-	782	782	177,540
Total		<u>176,072</u>	<u>60,162</u>	<u>236,234</u>	<u>179,102</u>
NET INCOME		45,840	14,961	60,801	44,019
RECONCILIATION OF FUNDS					
Total funds brought forward		71,405	106	71,511	27,492
TOTAL FUNDS CARRIED FORWARD		<u><u>117,245</u></u>	<u><u>15,067</u></u>	<u><u>132,312</u></u>	<u><u>71,511</u></u>

The notes form part of these financial statements

Merry-Go-Round Glasgow

Balance Sheet
31 March 2022

	Notes	Unrestricted fund £	Restricted fund £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	6	3,024	(676)	2,348	2,559
CURRENT ASSETS					
Debtors	7	34	-	34	5,967
Cash at bank and in hand		128,479	22,560	151,039	75,279
		<u>128,513</u>	<u>22,560</u>	<u>151,073</u>	<u>81,246</u>
CREDITORS					
Amounts falling due within one year	8	(14,292)	(6,817)	(21,109)	(12,294)
NET CURRENT ASSETS		<u>114,221</u>	<u>15,743</u>	<u>129,964</u>	<u>68,952</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>117,245</u>	<u>15,067</u>	<u>132,312</u>	<u>71,511</u>
NET ASSETS		<u>117,245</u>	<u>15,067</u>	<u>132,312</u>	<u>71,511</u>
FUNDS	9				
Unrestricted funds				117,245	71,405
Restricted funds				15,067	106
TOTAL FUNDS				<u>132,312</u>	<u>71,511</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Merry-Go-Round Glasgow

Balance Sheet - continued
31 March 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 22 December 2022 and were signed on its behalf by:

Samantha
Samantha Moir (Dec 22, 2022 19:42 GMT)

S Moir - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

2. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	1	52
Exceptional items	26,264	-
	<u>26,265</u>	<u>52</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22	31.3.21
	£	£
Depreciation - owned assets	<u>782</u>	<u>560</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	138,183	84,886	223,069
Investment income	<u>52</u>	<u>-</u>	<u>52</u>
Total	<u>138,235</u>	<u>84,886</u>	<u>223,121</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	1,504	58	1,562
Other	<u>92,607</u>	<u>84,933</u>	<u>177,540</u>
Total	<u>94,111</u>	<u>84,991</u>	<u>179,102</u>
NET INCOME/(EXPENDITURE)	44,124	(105)	44,019
RECONCILIATION OF FUNDS			
Total funds brought forward	27,281	211	27,492

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	71,405	106	71,511

6. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 April 2021	6,796
Additions	571
At 31 March 2022	7,367
DEPRECIATION	
At 1 April 2021	4,237
Charge for year	782
At 31 March 2022	5,019
NET BOOK VALUE	
At 31 March 2022	2,348
At 31 March 2021	2,559

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Other debtors	34	34
Prepayments and accrued income	-	5,933
	34	5,967

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Social security and other taxes	1,531	4,665
Accruals	811	812
Deferred Income	18,767	6,817
	<u>21,109</u>	<u>12,294</u>

9. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	At 31.3.22
	£	£	£
Unrestricted funds			
General fund	71,405	45,840	117,245
Restricted funds			
Restricted Funds	106	14,961	15,067
TOTAL FUNDS	<u>71,511</u>	<u>60,801</u>	<u>132,312</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	221,912	(176,072)	45,840
Restricted funds			
Restricted Funds	75,123	(60,162)	14,961
TOTAL FUNDS	<u>297,035</u>	<u>(236,234)</u>	<u>60,801</u>

Comparatives for movement in funds

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	27,281	44,124	71,405
Restricted funds			
Restricted Funds	211	(105)	106
TOTAL FUNDS	<u>27,492</u>	<u>44,019</u>	<u>71,511</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

9. **MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	138,235	(94,111)	44,124
Restricted funds			
Restricted Funds	84,886	(84,991)	(105)
TOTAL FUNDS	<u>223,121</u>	<u>(179,102)</u>	<u>44,019</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	27,281	89,964	117,245
Restricted funds			
Restricted Funds	211	14,856	15,067
TOTAL FUNDS	<u>27,492</u>	<u>104,820</u>	<u>132,312</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	360,147	(270,183)	89,964
Restricted funds			
Restricted Funds	160,009	(145,153)	14,856
TOTAL FUNDS	<u>520,156</u>	<u>(415,336)</u>	<u>104,820</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

11. ULTIMATE CONTROLLING PARTY

The Company is limited by guarantee and has no share capital, thus no single party controls the company.

Merry-Go-Round Glasgow

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and legacies - 1	4,307	-
Investment income		
Deposit account interest	1	52
Exceptional items	26,264	-
	<u>26,265</u>	<u>52</u>
Charitable activities		
Shop income	143,499	45,891
Grants	122,964	177,178
	<u>266,463</u>	<u>223,069</u>
Total incoming resources	<u>297,035</u>	<u>223,121</u>
EXPENDITURE		
Charitable activities		
Cost of events	10,771	78
Purchases	5,655	960
Commission paid	854	500
Advertising & marketing	3,032	24
	<u>20,312</u>	<u>1,562</u>
Other		
Plant and machinery	782	560
Support costs		
Management		
Wages	149,773	131,643
Social security	2,430	2,017
Pensions	1,393	2,970
Rates	496	778
Vehicles - General cost	7,322	3,126
Light, heat and power	4,429	4,677
Travel and subsistence	2,668	63
Rent	30,000	18,000
Premises cleaning	702	725
Other premises costs	5,008	2,982
Staff entertainment	-	1,045
Equipment repairs and maintena	1,960	682
General insurances	3,564	1,865
Carried forward	<u>209,745</u>	<u>170,573</u>

This page does not form part of the statutory financial statements

Merry-Go-Round Glasgow

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	31.3.22	31.3.21
	£	£
Management		
Brought forward	209,745	170,573
Postage and couriers	666	107
Software, IT support and relat	-	179
Shop and Office	-	1,872
Stationery and printing	-	245
Sundry expenses	500	24
Telephone, fax and broadband	1,515	1,538
Audit/Independent Examination	780	780
Other legal and professional	1,244	615
Staff recruitment	690	920
	<u>215,140</u>	<u>176,853</u>
Finance		
Paypal Fees	-	127
	<u>-</u>	<u>-</u>
Total resources expended	<u>236,234</u>	<u>179,102</u>
Net income	<u><u>60,801</u></u>	<u><u>44,019</u></u>

This page does not form part of the statutory financial statements