

Company no. 03044008
Charity no. 1061468

Southmead Development Trust Limited
Report and Audited Financial Statements
31 March 2018

Southmead Development Trust Limited

Reference and administrative details

For the year ended 31 March 2018

Company number 03044008

Charity number 1061468

Registered office and operational address The Greenway Centre
Doncaster Road
Southmead
Bristol
BS10 5PY

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Kevin Sweeney	Chair
David Roderick	Treasurer
Marion Baynes	
Trenna Blundell	
Billy Cotterell	
Sheralyn Fowler	
Lee Gardiner	
Helen Godwin	
Michael Gould	(resigned 29 November 2017)
Jillian Hoggans	
Peter Mansfield	
Brenda Massey	
Holly Maurice	(appointed 17 October 2017)
Tim Temple	
Geoffrey Williams	
John Woolcock	

Company secretary Michael Gould (resigned 29 November 2017)
Peter Mansfield (appointed 29 November 2017)

Chief executive officer Alex Kittow

Bankers Natwest
740 Waterside Drive
Aztec West
Almondsbury
BS99 5BD

Auditors Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Chair's message

Welcome to this year's annual report and I wanted to thank all staff, trustees, tenants and partners for their ongoing support for the work of the Southmead Development Trust in this last year.

The Community Plan is proving its worth in delivering significant benefits to Southmead. The Arnside and Glencoyne Regeneration Project Consultative Team (AGRP) has been established to assist the Trust's Housing and Regeneration Team in furthering the plans to regenerate the town centre and drive forward the development of community-owned housing.

The Greenway Centre continues to be key to the success of the Trust and I want to thank all our user groups and tenants for their contribution and ongoing commitment to Southmead. Our Health and Wellbeing team is growing from strength to strength with the addition of a pilot Diabetes Prevention Programme. The Training Team's work on the West of England Work project has improved the employment and training opportunities available to Southmead residents.

Power2Change grants are allowing The Greenway Centre, Café and The Youth Centre to better realise their potential for making Southmead Development Trust more sustainable and more capable of serving the local community.

The future's bright, the future's Southmead!

Kevin Sweeney - Chair

Trustees' report

The trustees present their report and the audited financial statements for the year ended 31 March 2018 (incorporating the directors' report).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Southmead Development Trust Limited was incorporated by guarantee on 10 April 1995. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association and the members of the board of trustees are the directors of the company.

Recruitment and appointment of trustees

The board consists of a maximum of fifteen trustees and the minimum is five. The trustee board is made up of eight locally elected residents, five local community workers, and two locally elected ward councillors. The board of trustees has ultimate control and responsibility for the business.

Trustee induction and training

On appointment each trustee is given a trustee Handbook that includes the Memorandum and Articles of Association, policies and procedures such as recruitment, equal opportunities, reserves policy, conflict of interest, and other guidance. It contains job descriptions for trustees, officers and staff. New trustees meet with the Chair and Chief Executive and are invited to an induction tour of the buildings.

Regular board meetings of trustees are held where all major and strategic decisions are made. Members of Southmead Development Trust are the people elected to the board of trustees or co-opted to the board within the procedures laid down in the governing documents.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Risk assessment

The trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Assessment is reviewed as part of the business plan review process.

The assessment identified a range of risks. The three rated with the highest risk before mitigation/risk reduction were:

- 1) Over-reliance on key staff;
- 2) Decline in reputation of Trust within local community;
- 3) Cost of long-term maintenance works at Greenway Centre and Southmead Youth Centre.

The following mitigating action has been taken:

- 1) CEO notice period increased, investment in management team;
- 2) Continue regular reviews of community plan, development of communication strategy focusing on localism and transparency;
- 3) Build up reserves to be within policy (see below) and work towards a building services fund of £100,000. Staff hold fortnightly maintenance meetings.

Organisational structure

The board is supported by two sub committees of Finance and Human Resources (HR). The membership of these committees is comprised of trustees, the Chief Executive and the Operations Manager. In addition the Trust has over ten working groups for the various projects it is involved in.

Currently the Chief Executive reports to the board of trustees and leads the day-to-day running of the business.

Staff remuneration

Remuneration for staff is undertaken through a consultative process involving the HR sub committee, Finance sub committee and the board of trustees. Remuneration is reviewed annually by both committees with recommendations presented to the board for approval at the last board meeting of the financial year (usually early March). In determining pay the following are considered: 1) overall performance of the organisation, 2) effectiveness of current remuneration, 3) areas of growth and change, 4) market factors, 5) budget and future planning. This approach to remuneration is monitored by the board.

OBJECTIVES AND ACTIVITIES

The objects for which the charity is established are:

- 1) The promotion for the public benefit of urban regeneration in areas of social and economic deprivation, and in particular in the ward of Southmead, Bristol, by all of the following means:
 - The relief of poverty;
 - The provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities; and
 - The creation of training and employment opportunities by the provision of workspace and buildings for use on favourable terms.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

- 2) To advance the education of the public through the provision of training courses.
- 3) To develop the capacity and skills of the members of the socially and economically disadvantaged community of the Southmead ward in Bristol in such a way that they are better able to identify, and help meet their needs and to participate more fully in society.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

Our main activities and those who benefit from our service are described below.

PRINCIPLE ACHIEVEMENTS AND PERFORMANCE

Throughout 2017/18 in pursuance of the objectives the Trust operationally provided the following range of services:

Fitness team

The Trust has a sports hall, community hall, snooker and pool room, changing rooms, a fitness suite, and outdoor sports pitches. The Trust offers affordable recreational and leisure activities including pay and play activities such as fitness suite, snooker and pool, exercise classes and badminton. Club activities also take place on site including keep fit, Zumba, diet and exercise classes, circuit training, trampolining, dancing, rugby playing and training, and cheerleading. Through our GP referral programme and the Staying Steady project we have supported many people with health issues to be more active and independent.

Business centre team

The Trust currently has five purpose built and sixteen converted self-contained small workspace units. Some rooms within the main Greenway Centre building have also been let to licensees. Occupancy throughout 2017/18 was excellent with additional rooms being sought for existing tenants. We provide workspace and facilities for services delivered by Avon and Wiltshire Mental Health Partnership NHS Trust, Homestart and DHI which compliments the other services provided by the Trust.

Facilities team

The Trust has five meeting rooms with a capacity for 20 to 30 people and the community hall that is used for conferences and special occasions, which can cater for up to 500 people. We continue to host the Southmead festival, other community meetings and private functions and training courses. A range of other community activities took place such as parties, quiz nights, blood donation, religious and cultural ceremonies, sessions, flu vaccinations, as well as many other events.

Training team

The Trust has secured a contract to deliver the West of England Works project to support those furthest from the workspace into education, employment or training. This is achieved through one-to-one mentoring, employability skills, organising participation in wellbeing activities and supported volunteering and work placements. At the Greenway Centre we host CMT who offer Learn Direct courses and Pinnacle People who are part of the work programme. At the Youth Centre we host Education 1st and Learning Partnership West who deliver courses and support to young people. There are many short term projects and community groups who also upskill local residents both for a personal interest or to be employment ready.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Community connections team

The Trust is actively involved in the Neighbourhood Partnership, Southmead Steering group, Long Live Southmead Project and other initiatives for the benefit of Southmead residents. The Trust is leading on the Southmead Community Plan and coordinates the Southmead festival. Since the Community Plan was launched we have been implementing some of the actions and these have developed to sustainable initiatives such as establishing a Southmead Boxing Club and exploring community led housing. We completed the community champions project supporting volunteering in Southmead.

Health and wellbeing team

The Trust continues to deliver on a number of health contracts along with our partners, Wellspring Healthy Living Centre and Knowle West Health Park:

- The Community Access Support Service is supporting community groups to understand the mental health services in our city, helping them think through how they support the mental health of their members and seeking to reduce mental health stigma;
- Diabetes Prevention Programme. This pilot has been successfully launched; and
- The expansion of our Social Prescribing projects SPEAR and Community Navigators.

Southmead Development Trust has moved forward its plans for a local project focusing on Combining Personalisation and Community Empowerment (CPCE) which will support people requiring social care in a more personalised way.

Café team

The café improved its healthy, affordable food offer and provides the friendly environment which welcomes visitors to the rest of the Trust's activities. The Café received a Bristol Eating Better Gold Award and an excellent assessment in a WECIL report on accessibility. The café continues to make a loss and this is being addressed through our Power to Change business development project.

Youth team

Our tenants and support partners in delivery of youth work are consistent, but we are vulnerable to the changing funding environment. Securing funding and partnerships for the long term viability of youth work and the youth centre is proving a challenge, but we are in our strongest position yet. Power to Change is providing investment in facilities to improve the future sustainability of the Centre.

Housing and regeneration team

The Trust has a housing and regeneration team to deliver the asset based regeneration aspirations of Southmead Development Trust to develop community, commercial and residential facilities on Glencoyne Square and Arnside. This will provide an income stream to support the social value activities required as identified by the Community Plan. The Trust has built a Pocket Park and brought together local community groups, residents, businesses and local council officers through the AGRP to begin consultation on a Master Plan.

Trust volunteers

Southmead Development Trust only achieves all it does for Southmead with the hard work and dedication of its volunteers. The Trust is governed by a volunteer board of trustees and has volunteers engaged at many different parts of its operations. The Trust recognises the exceptional contribution by volunteers in the café, youth, and facilities teams as well as in the Community Navigators project and at Southmead Festival. Approximately 50 volunteers gave time to the charity over the year.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Voluntary contributions to the Trust are governed by the Trust's volunteer policy. Volunteers are given an induction to the charity by their volunteer lead who remains responsible for their supervision. The Trust's capacity for volunteering greatly improved over the year owing in part to the successful conclusion of the Volunteer Project.

The Trust also recognises that the provision of voluntary placements and positions is an important way of realising its charitable objectives in Southmead.

FINANCIAL REVIEW

Principal funding sources

Principal funding sources for the year were:

Business unit and office rents;
Hire of facilities;
Sport and leisure; and
Grants and contracts.

Reserves policy

The Trust has an established policy whereby general unrestricted funds not committed held by the charity should amount to three to six months of resources expended on training, activities, support costs, management, and administration. This amounts to approximately between £311,000 and £622,000. At 31 March 2018 the free reserves were £422,476 (2017: £318,267) which is within the policy.

Results for the year

We finished the financial year in a strong position financially. We exceed our minimum reserves policy for the second year in a row, and we are in the position to create two designated funds: a Building fund and a Project Development fund. At year end these were valued at £29,705 each.

Income from Health and Wellbeing increased due to the launch of the SPEAR project, Diabetes Prevention Programme and CPCE project. A number of other projects were also completed in this area. Other significant areas of increased income were Employment and Training through the West of England Works project and Regeneration and Housing. In both of these areas activity has increased significantly with additional staff recruited.

Unrestricted activities generated a surplus of £102,595. This was partly due to revenues from tenants and licensees at the Greenway Centre performing better than expected. Restricted activities produced a deficit of £187,067 due to the spending down of funds received in 2016/17.

Investment policy

The trustees can invest as they see fit. Other surplus funds are held in current and deposit accounts with Natwest to enable the funds to be readily available, and earning interest.

PLANS FOR THE FUTURE

The Trust's objectives for the year are:

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Report of the trustees

For the year ended 31 March 2018

Promoting sport, physical activity and healthy lifestyles

Plan and coordinate the provision of quality sporting opportunities to enhance sports participation and performance at all levels; enabling people to participate in sporting activities which are beneficial to their health and wellbeing, and to achieve their potential.

Improve our programme of events and activities.

Build on successes of the GP Referral scheme and Staying Steady groups to further integrate Fitness with Health and Wellbeing through more targeted work.

Supporting sustainable growth of local business

Investigate options to expand the existing provision of small managed workspace to include business support services.

Investigate and report back opportunities for service development to both existing and new tenants.

Stimulate the growth of business through developing options for alternative uses of the Greenway site.

Closely involve local businesses and residents in the consultation and planning of the regeneration and community-owned housing project to ensure appropriate provision for future business.

Education, qualifications and training

Enhancing and improving employability skills so that people can move into higher skilled jobs.

Promote training opportunities to businesses in and around the City.

Ensure that people have opportunities to achieve high standards, acquire qualifications and skills to progress with confidence into employment, training and active citizenship.

Work with external bodies and develop a portfolio of courses which specifically provide progression opportunities for current and previous learners.

Encouraging the public to benefit from and participate in the activities of the Trust

Develop a marketing strategy for the Trust.

Develop a programme of promotional activities linked to an improvement in income targets.

Develop a programme of special offers and season promotions to actively increase usage of the fitness suite, fitness classes and sports hall.

Youth team

Secure the long term future of Southmead Youth Centre developing a financially sustainable business plan to ensure youth work remains accessible to our young people.

Monitor the future of youth provision in Southmead and in particular the future Ranch Adventure Playground.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Housing and regeneration

Continue to lead the Arnside and Glencoyne Square Redevelopment Project and the aspirations to secure land for community ownership and the development of community owned homes under Southmead Development Trust.

Produce a Master Plan for Southmead.

Investigate the possibility of purchasing homes to become an ethical landlord as well as diversify our income streams.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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 charity 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 charity and which 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Southmead Development Trust Limited

Report of the trustees

For the year ended 31 March 2018

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 21 November 2018 and signed on their behalf by



David Roderick - Treasurer

Independent auditors' report

To the members of

Southmead Development Trust Limited

Opinion

We have audited the financial statements of Southmead Development Trust Limited (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Southmead Development Trust Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report

To the members of

Southmead Development Trust Limited

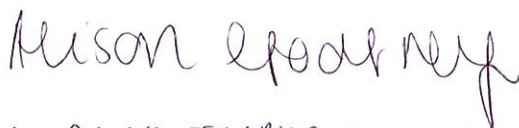
Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Date: 21 NOVEMBER 2018.

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Southmead Development Trust Limited

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

For the year ended 31 March 2018

	Note	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Income from:					
Donations		-	12,168	12,168	2,979
Charitable activities	3	448,984	755,720	1,204,704	1,055,925
Other trading activities		-	22,990	22,990	15,500
Investments		-	140	140	418
Total income		<u>448,984</u>	<u>791,018</u>	<u>1,240,002</u>	<u>1,074,822</u>
Expenditure on:					
Raising funds		-	8,550	8,550	5,506
Charitable activities		<u>634,174</u>	<u>681,750</u>	<u>1,315,924</u>	<u>879,050</u>
Total expenditure	5	<u>634,174</u>	<u>690,300</u>	<u>1,324,474</u>	<u>884,556</u>
Net income / (expenditure)		(185,190)	100,718	(84,472)	190,266
Transfers between funds		<u>(1,877)</u>	<u>1,877</u>	<u>-</u>	<u>-</u>
Net movement in funds	6	(187,067)	102,595	(84,472)	190,266
Reconciliation of funds:					
Total funds brought forward		<u>264,005</u>	<u>2,830,944</u>	<u>3,094,949</u>	<u>2,904,683</u>
Total funds carried forward		<u><u>76,938</u></u>	<u><u>2,933,539</u></u>	<u><u>3,010,477</u></u>	<u><u>3,094,949</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the accounts.

Southmead Development Trust Limited

Balance sheet

As at 31 March 2018

	Note	£	2018 £	2017 £
Fixed assets				
Tangible assets	9		2,716,834	2,775,818
Current assets				
Stock	10	2,012		991
Debtors	11	73,371		55,655
Cash at bank and in hand		<u>577,866</u>		<u>538,413</u>
		653,249		595,059
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(316,207)</u>		<u>(202,553)</u>
Net current assets			<u>337,042</u>	<u>392,506</u>
Total assets less current liabilities			<u>3,053,876</u>	<u>3,168,324</u>
Creditors: amounts falling due after more than 1 year	13		<u>(43,399)</u>	<u>(73,375)</u>
Net assets	15		<u><u>3,010,477</u></u>	<u><u>3,094,949</u></u>
Funds	16			
Restricted funds			76,938	264,005
Unrestricted funds				
Designated funds			2,511,063	2,512,677
General funds			<u>422,476</u>	<u>318,267</u>
Total charity funds			<u><u>3,010,477</u></u>	<u><u>3,094,949</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 21 November 2018 and signed on their behalf by



David Roderick - Treasurer

Southmead Development Trust Limited

Statement of cash flows

For the year ended 31 March 2018

	2018 £	2017 £
Cash used in operating activities:		
Net movement in funds	(84,472)	190,266
<i>Adjustments for:</i>		
Depreciation charges	80,094	78,624
(Gains) / losses on disposal of fixed assets	-	(2,622)
Dividends, interest and rents from investments	(140)	(418)
Interest paid	4,649	4,650
Decrease / (increase) in stock	(1,021)	-
Decrease / (increase) in debtors	(17,716)	26,777
Increase / (decrease) in creditors	113,654	15,814
Increase / (decrease) in provisions	-	(88,800)
Net cash provided by / (used in) operating activities	95,048	224,291
Cash flows from investing activities:		
Dividends, interest and rents from investments	140	418
Purchase of tangible fixed assets	(21,110)	(3,670)
Net cash provided by / (used in) investing activities	(20,970)	(3,252)
Cash flows from financing activities:		
Repayment of borrowing	(34,625)	(34,625)
Net cash provided in / (used in) financing activities	(34,625)	(34,625)
Increase / (decrease) in cash and cash equivalents in the year	39,453	186,414
Cash and cash equivalents at the beginning of the year	538,413	351,999
Cash and cash equivalents at the end of the year	577,866	538,413

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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.

Southmead Development Trust 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.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of delivery of a contract or for room hire is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time:

Raising funds	1.0%
Charitable activities	99.0%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold land and buildings	48 years straight line
Long leasehold land and buildings	50 years straight line
Long leasehold improvements	20 - 50 years straight line
Fixtures, fittings and computers	4 - 5 years straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

j) Stock

Stock is included at the lower of cost or net realisable value.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies (continued)

m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

p) Leased assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the statement of financial activities over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

2. Prior period comparatives

	Restricted £	Unrestricted £	2017 Total £
Income from:			
Donations	-	2,979	2,979
Charitable activities	390,190	665,735	1,055,925
Other trading activities	-	15,500	15,500
Investments	-	418	418
Total income	390,190	684,632	1,074,822
Expenditure on:			
Raising funds	-	5,506	5,506
Charitable activities	267,628	611,422	879,050
Total expenditure	267,628	616,928	884,556
Net income	122,562	67,704	190,266
Transfers between funds	(17,918)	17,918	-
Net movement in funds	104,644	85,622	190,266

3. Income from charitable activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total restated £
Café	8,835	99,957	108,792	95,646
Community	22,900	-	22,900	55,795
Fitness, health and wellbeing	230,212	153,986	384,198	259,750
Housing and regeneration	82,331	-	82,331	31,460
Room hire and events	-	165,616	165,616	165,005
Tenant rent	-	296,671	296,671	280,060
Training and employment	77,718	-	77,718	30,392
Youth centre	26,988	39,490	66,478	137,817
Total charitable activities	448,984	755,720	1,204,704	1,055,925

Included within the above is income received as partners from Big Lottery funded projects, including £59,999 (2017: £20,000) from Age UK, being the lead partner for Bristol Aging Better; and £77,718 (2017: £30,392) from Weston College, being the lead partner for West of England Works which is funded by the Big Lottery Fund and European Social Fund.

The 2017 comparatives have been restated to reclassify income between charitable activities. There is no change to total income from charitable activities.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

4. Government grants

The charitable company receives government grants, defined as funding from Bristol City Council to fund charitable activities. The total value of such grants in the period ending 31 March 2018 was £75,920 (2017: £129,427). There are no unfulfilled conditions or contingencies attaching to these grants.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2018 Total £	2017 Total restated £
Staff costs (note 7)	6,957	699,101	68,920	774,978	551,359
Direct costs - community	-	34,596	-	34,596	16,520
Direct costs - fitness, health and wellbeing	-	58,616	-	58,616	21,545
Direct costs - youth centre	-	34,731	-	34,731	28,854
Direct costs - housing	-	46,400	-	46,400	25,685
Events and facilities costs	-	3,574	-	3,574	7,984
Project costs	-	9,965	-	9,965	2,941
Café cost of sales	-	49,560	-	49,560	28,043
Premises costs	-	139,166	-	139,166	65,272
Insurance	-	-	13,026	13,026	11,622
Depreciation	-	80,094	-	80,094	78,624
Office and admin costs	-	-	19,237	19,237	18,366
Bank charges and loan interest	-	-	10,474	10,474	9,446
Irrecoverable VAT	-	-	22,447	22,447	-
Audit	-	-	5,005	5,005	5,650
Legal, consultancy, professional fees and licences	-	-	22,605	22,605	12,645
Sub-total	6,957	1,155,803	161,714	1,324,474	884,556
Allocation of support and governance costs	1,593	160,121	(161,714)	-	-
Total expenditure	8,550	1,315,924	-	1,324,474	884,556

The 2017 comparatives have been restated to split out housing project costs from consultancy fees to aid comparability.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

6. Net movement in funds

This is stated after charging:

	2018 £	2017 £
Depreciation	80,094	78,624
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Trustees' indemnity insurance	196	196
Auditors' remuneration:		
▪ Statutory audit	6,000	5,200
▪ Over / (under) accrual	(540)	-

7. Staff costs and numbers

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	680,797	480,529
Social security costs	45,139	29,294
Pension costs	18,623	11,168
Freelance staff	30,419	30,368
	<u>774,978</u>	<u>551,359</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the trustees, chief executive officer and operations manager. The total employee benefits of the key management personnel were £96,953 (2017: £84,909).

	2018 No.	2017 No.
Average head count	<u>45</u>	<u>38</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

9. Tangible fixed assets

	Freehold land and buildings £	Long leasehold land and buildings £	Long leasehold improvements £	Fixtures, fittings and computers £	Total £
Cost					
At 1 April 2017	268,056	1,103,624	1,841,629	420,459	3,633,768
Additions in year	-	-	-	21,110	21,110
At 31 March 2018	268,056	1,103,624	1,841,629	441,569	3,654,878
Depreciation					
At 1 April 2017	83,764	264,864	99,042	410,280	857,950
Charge for the year	5,585	22,072	44,873	7,564	80,094
At 31 March 2018	89,349	286,936	143,915	417,844	938,044
Net book value					
At 31 March 2018	<u>178,707</u>	<u>816,688</u>	<u>1,697,714</u>	<u>23,725</u>	<u>2,716,834</u>
At 31 March 2017	<u>184,292</u>	<u>838,760</u>	<u>1,742,587</u>	<u>10,179</u>	<u>2,775,818</u>

Included within long leasehold improvements above are assets held under finance leases with a net book value of £128,677 (2017: £136,192). Total depreciation charged against assets held under finance leases is £7,515 (2017: £7,512).

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

10. Stock

	2018 £	2017 £
Food and beverages	<u>2,012</u>	<u>991</u>

11. Debtors

	2018 £	2017 £
Trade debtors	61,097	41,994
Prepayments	6,066	4,788
Other debtors	<u>6,208</u>	<u>8,873</u>
	<u>73,371</u>	<u>55,655</u>

12. Creditors : amounts due within 1 year

	2018 £	2017 £
Trade creditors	38,216	29,290
Accruals	48,181	15,136
Deferred income (see note 14)	26,257	50,463
Hire purchase	22,832	22,832
Other loans	7,140	7,140
VAT	78,078	6,255
Other creditors	<u>95,503</u>	<u>71,437</u>
	<u>316,207</u>	<u>202,553</u>

13. Creditors : amounts due in more than 1 year

	2018 £	2017 £
Hire purchase	40,424	63,260
Other loans	<u>2,975</u>	<u>10,115</u>
	<u>43,399</u>	<u>73,375</u>

Hire purchase relates to finance lease arrangements with Lombard for the Trust's biomass boiler and solar panels recognised in tangible fixed assets (note 9). Other loans are from Pure - the Clean Planet Trust. The loan is repayable over 7 years with interest payable at 4% per annum. The loan is unsecured.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

14. Deferred income

	2018 £	2017 £
At 1 April 2017	50,463	59,888
Deferred during the year	53,973	114,040
Released during the year	<u>(78,179)</u>	<u>(123,465)</u>
At 31 March 2018	<u><u>26,257</u></u>	<u><u>50,463</u></u>

Deferred income relates to rental income and contract fees invoiced in advance.

15. Analysis of net assets between funds

	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	2,451,653	265,181	2,716,834
Net current assets	76,938	59,410	200,694	337,042
Non current liabilities	<u>-</u>	<u>-</u>	<u>(43,399)</u>	<u>(43,399)</u>
Net assets at 31 March 2018	<u><u>76,938</u></u>	<u><u>2,511,063</u></u>	<u><u>422,476</u></u>	<u><u>3,010,477</u></u>
Prior period comparative				
	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	2,512,677	263,141	2,775,818
Net current assets	264,005	-	128,501	392,506
Non current liabilities	<u>-</u>	<u>-</u>	<u>(73,375)</u>	<u>(73,375)</u>
Net assets at 31 March 2017	<u><u>264,005</u></u>	<u><u>2,512,677</u></u>	<u><u>318,267</u></u>	<u><u>3,094,949</u></u>

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

16. Movements in funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2018 £
Restricted funds					
Community projects	89,937	31,735	(104,996)	(12,306)	4,370
Health and wellbeing	64,263	230,213	(265,485)	1,202	30,193
Housing and regeneration	-	82,330	(85,065)	8,613	5,878
Training and employment	23,177	77,718	(101,509)	614	-
Youth work	86,628	26,988	(77,119)	-	36,497
Total restricted funds	264,005	448,984	(634,174)	(1,877)	76,938
Unrestricted funds					
<i>Designated funds:</i>					
Building fund	-	-	-	29,705	29,705
Project development	-	-	-	29,705	29,705
Greenway Centre	2,512,677	-	(61,024)	-	2,451,653
<i>Total designated funds</i>	2,512,677	-	(61,024)	59,410	2,511,063
General funds	318,267	791,018	(629,276)	(57,533)	422,476
Total unrestricted funds	2,830,944	791,018	(690,300)	1,877	2,933,539
Total funds	3,094,949	1,240,002	(1,324,474)	-	3,010,477

Purposes of restricted funds

Community projects	Primarily supporting the implementation of our community plan. This has focused on finishing delivery of a volunteer project. In addition we started work to make our community business elements more financially sustainable, funded by Power to Change.
Health and wellbeing	Primarily supporting and promoting self care, most of our activities would fit within a broad definition of 'social prescribing'. We also deliver projects around mental health.
Housing and regeneration	Primarily supporting the development of community-owned housing and the regeneration of the community, commercial and residential facilities and infrastructure in Southmead.
Training and employment	Primarily delivering the West of England Works project across North Bristol. This is supporting those furthest away from the workplace to overcome their barriers to work.
Youth work	Along with our partners providing activities for our young people and ensuring the Southmead Youth Centre is used by our young people.

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

16. Movements in funds (continued)

Purposes of designated funds

Building fund

This is a designated fund to support the realisation of long-term planned preventative maintenance work and as preparation for any significant unexpected maintenance work.

Project development

This is a designated fund which will be used to seed fund new projects and enable us to trial different services in the future.

Greenway Centre

This fund represents the net book value of donated assets to the Trust.

Transfers between funds

Transfers between funds represent capital costs where the restriction has been discharged through purchasing the asset. Other transfers are to top up overspends on restricted funds with general funds.

Prior period comparative

	At 1 April 2016 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2017 £
Restricted funds					
Community projects	29,481	132,775	(78,426)	6,107	89,937
Health and wellbeing	71,738	113,892	(97,342)	(24,025)	64,263
Training and employment	-	30,392	(7,215)	-	23,177
Youth work	58,142	113,131	(84,645)	-	86,628
Total restricted funds	159,361	390,190	(267,628)	(17,918)	264,005
Unrestricted funds					
<i>Designated funds:</i>					
Greenway Centre	2,571,079	-	(61,023)	2,621	2,512,677
<i>Total designated funds</i>	2,571,079	-	(61,023)	2,621	2,512,677
General funds	174,243	684,632	(555,905)	15,297	318,267
Total unrestricted funds	2,745,322	684,632	(616,928)	17,918	2,830,944
Total funds	2,904,683	1,074,822	(884,556)	-	3,094,949

Southmead Development Trust Limited

Notes to the financial statements

For the year ended 31 March 2018

17. Related party transactions

Geoffrey Williams, a trustee of Southmead Development Trust, is also a director of Southmead Rugby Club (SRFC). SRFC are a tenant of Southmead Development Trust and paid £14,437 (2017: £14,522) to the Trust during the year. Amounts owing at the year end were £3,050 (2017: £4,828).

David Roderick, a trustee of Southmead Development Trust, is also the Church Leader of Woodlands Group of Churches. Woodlands are a tenant of Southmead Development Trust and paid £21,454 (2017: £19,757) to the Trust during the year. Amounts owing at the year end were £2,014 (2017: £nil).

Two of the charity's trustees, Helen Godwin and Brenda Massey, are also Councillors at Bristol City Council. Although they have influence in the area of activity that the charity is involved in, neither are solely involved in financial decision making relating to the charity. During the year ended 31 March 2018, the charity received £75,920 (2017: £129,427) of income from Bristol City Council in the form of grants and contracts.