

Company registration number 2493904
Charity registration number 1010541

Innovate Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2013

Haines Watts Wales LLP
Statutory Auditors
Pagefield House
24 Gold Tops
Newport
NP20 4PG

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COMPANIES HOUSE

Innovate Trust Ltd
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Innovate Trust Ltd
Reference and Administrative Details

Charity name	Innovate Trust Ltd
Charity registration number	1010541
Company registration number	2493904
Principal office	433 Cowbridge Road Canton Cardiff CF5 1JH
Registered office	433 Cowbridge Road Canton Cardiff CF5 1JH
Trustees	Charlotte Kletta (Chair) David Davies Norman Berg Georgina Powell (Vice Chair) Brian Thomas Ben Lewis Thomas Wells Jess Rumble David Pratt
Chief executive officer	Nick French
Secretary	Nick French
Solicitor	Thomas Carroll Group plc Pendragon House Crescent Road Caerphilly CF83 1XX
Bankers	Natwest Bank plc 96 Queen Street Cardiff CF10 2GR

Innovate Trust Ltd
Reference and Administrative Details

Auditor	Haines Watts Wales LLP Pagefield House 24 Gold Tops Newport NP20 4PG
HR advisor	Thomas Carroll Group plc Pendragon House Cresecent Road Caerphilly CF83 1XX

Innovate Trust Ltd

Trustees' Report

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 and 2 of the financial statements

The trustees

The trustees who served the charity during the period were as follows

Charlotte Kletta (Chair)
Heather Jones-Hughes (Treasurer) - resigned 25 April 2013
David Davies
Norman Berg
Georgina Powell (Vice Chair)
Brian Thomas
Ben Lewis
Thomas Wells
Jess Rumble - appointed 28 June 2012
David Pratt - appointed 28 March 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is a company limited by guarantee, registration number 2493904 and is governed by its Memorandum and Articles of Association. It is also registered with the Charity Commission, number 1010541. The Trustees are also the Board of Management of the Charity. The trustees nominate prospective trustees who are officially accepted at the Annual General Meeting.

Appointment of Trustees

Trustees are appointed from volunteers and any other interested parties.

Trustee, Induction, Training and Development

Each newly appointed trustee receives a trustee pack, are given a formal induction and training as and when required.

Organisation

The charity is managed by the Board of trustees which meet on a regular basis and employs a team of staff to manage the organisation on a day-to-day basis.

Related Parties

There are no related party transactions.

Risks

Innovate Trust, as part of its system of Corporate Governance carried out a review of all major risks to which the organisation is exposed, and the systems in place to mitigate these risks. All risks were assessed and appropriate action taken if it was assessed that the risk was inappropriately high.

The Trustees identified the 8 most important risks to the organisation are, Computer Data Loss, Loss of Accreditation/Registration, Abuse of Vulnerable People, Destruction of Physical Assets, Accident affecting Staff or Service User, Loss of Substantial Contract/Grant Funding, Fraud/Financial Crime.

Innovate Trust Ltd

Trustees' Report

OBJECTIVES AND ACTIVITIES

Objectives

- A) The relief of poverty and distress amongst disabled people particular learning disability physical disability and mental health by
- Providing for or assisting with the care accommodation training education employment and occupation of such persons and
- By promoting the development of facilities for facilities for independently by such by such persons to encourage their greater inclusion within their communities
- B) The relief of poverty and distress amongst those who care for such persons
- C) The education of the public in the needs of such persons

Services

Providing for, or assisting with the care, accommodation, training, education, employment and occupation of disability, particularly learning disability, physical disability and mental health issues

Promoting the development of facilities for independent living to facilitate greater inclusion of people with disabilities within their communities

Supporting those who provide support to disabled people

Educating the public in their needs

Developing high quality innovative services that reflect the core values of the organisation and meet the needs of service users

Developing and expanding volunteer opportunities for students, and others, promoting an understanding of the issues related to people with disabilities

Working in partnership with service users, their carers, other providers, purchasers and the wider community to promote models of good practice

Investing in staff development, training and support that enables the delivery of quality services and reflects their contribution to the achievement of the organisation's mission and aims

Offering a service which is responsive to and respects the race, religion, culture, language, gender, sexuality and abilities of service users and of staff

The main activities include:

- | | |
|---|--|
| <input type="checkbox"/> Community Living Developments | Supporting people in their homes |
| <input type="checkbox"/> Tenant Support Services | Supporting Council Tenants with the housing related problems |
| <input type="checkbox"/> Respite Services | Providing short stay and holiday services for 16 to 25 year olds |
| <input type="checkbox"/> Emergency Support Services | Supporting people whose lives are in a crisis |
| <input type="checkbox"/> QUEST Supported Employment | Supporting people to find quality employment |
| <input type="checkbox"/> Field Days | Providing a range of work experience and training in a horticultural setting |
| <input type="checkbox"/> Innovate Catering | Providing a range of work experience and training in catering |
| <input type="checkbox"/> Student Volunteer Projects | Enabling Cardiff students to work with children, families and schools |
| <input type="checkbox"/> Venture out Cardiff | Providing sporting and outdoor activities for disabled people |

Innovate Trust Ltd

Trustees' Report

ACHIEVEMENTS AND PERFORMANCE

Ensuring Our Work Delivers Our Aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits of providing relief of poverty and distress amongst persons suffering from disability or sickness, particular learning disability, physical disability and mental health. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities, thus ensuring that it continues in its stated purpose.

Achievement in the Year

During the year 2012/2013 we continued to work closely with Cardiff and the Vale of Glamorgan Councils across the full range of our projects and services. We worked closely with these councils to develop new Supported Living Services and innovative new approaches to existing service provision. It is the responsibility of these two local authorities to ensure the Supported Living Services that we manage are both provided for and meet the requirements of the contract arrangements agreed with Innovate Trust in 2007.

Following a tendering process we significantly increased our Supported Living Contract with the Vale of Glamorgan County Council, increasing the total number of services from four to nineteen. This can only be seen in part in this report as the contract did not change in size until October 2012. The organisation did not tender for any other new contracts and none were reaching a conclusion during the year. The increases in the Vale of Glamorgan saw the organisations staffing levels increase by approximately 150 individuals from that of 2011/2012.

On a number of occasions we successfully applied for new funding streams to support and potentially expand our services, these funds were due in both 2012/2013 & 2013/2014. We do recognise that in these testing times these funds have become and are likely to become more competitive over the coming years. We have continued to invest a considerable amount of time and resources in the development of new service provision. We do expect to reap the benefits of this work in the forthcoming year with the development of, true to our name, both new and innovative projects and services.

I have been impressed with the way our staff rose to the challenges of the year together with the intuition and commitment they have shown under difficult circumstances. I have continued to be impressed by the hard work and dedication of all our staff throughout the year. I know how committed they are, I would like to take this opportunity to thank them all both personally and on behalf of the whole board of Trustees.

The Board and staff of Innovate Trust are fully committed to development and diversification and although the next few years will undoubtedly be extremely challenging, we believe this is a challenge to which we are equal.

FINANCIAL REVIEW

Results

During the year the Charity's net incoming resources on its unrestricted funds, amounted to £98,866 after the transfer of £257,213 from the Local Authority restricted fund. This amount represents the accumulated surplus on the Vale contract which came to an end on 7 October 2012 (2012 £383,718). Although the level of unrestricted funds at the balance sheet date was £786,959 (2012 £688,093) the level of free reserves amounted to £728,713 after excluding the amount invested in fixed assets.

The restricted funds were increased by £115,465 after taken into consideration the transfer to unrestricted funds (2012 £117,251). The total level of restricted funds at the year end amounted to £996,629 (2012 £863,336). The restricted fund balance held at the year end included an amount of £566,027 (2012 £556,454) that funded fixed assets, leaving the remaining balance of £412,722 (2012 £306,880) available to fund on-going projects in furtherance of the Charity's objectives.

Innovate Trust Ltd

Trustees' Report

Reserves policy

The charity's policy is to secure a 60 day liquid reserve to cover the daily cash-flow requirements and a further 120 day reserve to cover the medium term liabilities should the charity lose any part of their contract work. The majority of the local authority funding is used to support service users and is restricted on geographical grounds. The current level of free reserves after excluding the amount invested in fixed assets amounted to £728,713.

The trustees have carried out a full assessment of the risks to the Charity, and have formulated policies for identifying and managing risks and are determining the level of general funds that are required to cover these risks. The level of general funds needs to be at a level which will cover additional staffing costs including redundancy, maternity, long-term sickness and also provide the Charity with sufficient resources to deal with any loss of grant funding. It has been estimated that the level required equates to six months overheads.

Investment Powers

An investment strategy will be developed in the medium to long term to ensure best use is made of the growing asset base. The new Charity Commission regulations on investment will enable the Board of Management to invest in a wide range of investment vehicles, including those that provide capital growth rather than income, such as the Stock Market. This will enable them to obtain better returns on investments whilst continuing to minimise risk.

Under the Memorandum and Articles of Association the Charity has the power to make any investment but only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification.

PLANS FOR FUTURE PERIODS

The forthcoming year will of course present the organisation with numerous challenges which we intend to meet. We will again be entering a period of tendering processes which is expected to be for the vast majority of our services. This position combined with the current agenda of cuts will present us with further considerable challenge.

To this end we will continue to carry out reviews of our organisation to put us in the best possible position to continue to provide the high quality services for which Innovate Trust has become renowned. We will continue to build on our recent experiences in evidencing outcomes based support practices. Through these processes we further increase the contribution of the individuals we support to future service development of our organisation.

Over the coming years we hope to expand our service provision developing new and innovative support services and practices, together with further expansion to work with new groups and categories of individuals.

DISABLED EMPLOYEES

The charity's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Disabled employees receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts. Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the charity by means of regular departmental meetings.

AUDITOR

A resolution to re-appoint Haines Watts Wales LLP as auditor for the ensuing year will be proposed at the Annual General Meeting.

Innovate Trust Ltd
Trustees' Report

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 31 October 2013 and signed on its behalf by

A handwritten signature in black ink, consisting of a large, stylized 'G' followed by several loops and ending with a period.

Georgina Powell (Vice Chair)
Trustee

Innovate Trust Ltd

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Innovate Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (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 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 business

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

In so far as the trustees are aware

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

Independent Auditors' Report to the Trustees of Innovate Trust Ltd

We have audited the financial statements of Innovate Trust Ltd for the year ended 31 March 2013, set out on pages 11 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 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.

**Independent Auditors' Report to the Trustees of
Innovate Trust Ltd**

continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit


David Green
Senior Statutory Auditor

for and on behalf of
Haines Watts Wales LLP, Statutory Auditor

Date *28 November 2013*

Pagefield House
24 Gold Tops
Newport
NP20 4PG

Innovate Trust Ltd

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2013

		Unrestricted Funds	Restricted funds	Total Funds 2013	Total Funds 2012
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	3,113	9,686	12,799	-
Investment income	3	6,477	-	6,477	5,973
Incoming resources from charitable activities	4	1,944,281	5,840,807	7,785,088	6,811,672
Total incoming resources		<u>1,953,871</u>	<u>5,850,493</u>	<u>7,804,364</u>	<u>6,817,645</u>
Resources expended					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	5	325	-	325	99
Charitable activities	5	2,094,032	5,477,815	7,571,847	6,532,329
Governance costs	5	17,861	-	17,861	18,750
Total resources expended		<u>2,112,218</u>	<u>5,477,815</u>	<u>7,590,033</u>	<u>6,551,178</u>
Net income before transfers		(158,347)	372,678	214,331	266,467
Transfers					
Gross transfers between funds		<u>257,213</u>	<u>(257,213)</u>	<u>-</u>	<u>-</u>
Net movements in funds		98,866	115,465	214,331	266,467
Reconciliation of funds					
Total funds brought forward		<u>688,093</u>	<u>863,334</u>	<u>1,551,427</u>	<u>1,284,960</u>
Total funds carried forward		<u>786,959</u>	<u>978,799</u>	<u>1,765,758</u>	<u>1,551,427</u>

All incoming resources and resources expended derive from continuing activities

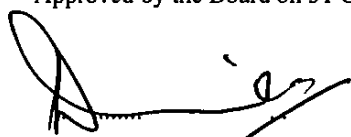
The notes on pages 14 to 25 form an integral part of these financial statements

Innovate Trust Ltd
Balance Sheet as at 31 March 2013
Registration number: 2493904

		2013		2012	
	Note	£	£	£	£
Fixed assets					
Tangible assets	10		624,273		619,655
Current assets					
Debtors	11	845,152		175,766	
Cash at bank and in hand		<u>869,537</u>		<u>1,484,574</u>	
		1,714,689		1,660,340	
Creditors. Amounts falling due within one year	12	<u>(573,204)</u>		<u>(728,568)</u>	
Net current assets			<u>1,141,485</u>		<u>931,772</u>
Net assets			<u>1,765,758</u>		<u>1,551,427</u>
The funds of the charity:					
Restricted funds in surplus			978,799		863,334
Unrestricted funds					
Unrestricted income funds			<u>786,959</u>		<u>688,093</u>
Total charity funds			<u>1,765,758</u>		<u>1,551,427</u>

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

Approved by the Board on 31 October 2013 and signed on its behalf by



David Davies
Trustee



Georgina Powell (Vice Chair)
Trustee

The notes on pages 14 to 25 form an integral part of these financial statements

Innovate Trust Ltd
Cash Flow Statement for the Year Ended 31 March 2013

		2013	2012
	Note	£	£
Net cash flow from operating activities	18	(585,635)	402,987
Returns on investment and servicing of finance	16	6,477	5,973
Purchase of tangible fixed assets		<u>(35,879)</u>	<u>(5,755)</u>
(Decrease)/increase in cash		<u>(615,037)</u>	<u>403,205</u>

Reconciliation of net cash flow to movement in net funds

		2013	2012
	Note	£	£
(Decrease)/increase in cash in the year	17	<u>(615,037)</u>	<u>403,205</u>
Change in net funds resulting from cash flows		<u>(615,037)</u>	<u>403,205</u>
Net funds at the start of the year	17	<u>1,484,574</u>	<u>1,081,369</u>
Net funds at the end of the year	17	<u>869,537</u>	<u>1,484,574</u>

The notes on pages 14 to 25 form an integral part of these financial statements

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, applicable accounting standards and the Companies Act 2006

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

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

Further details of each fund are disclosed in note 19

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when

- The donor specifies that the donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Investment income is recognised on a receivable basis

Capital grants, received to fund the purchase of fixed assets, are held in a restricted fund and transferred to general funds over the expected useful lives of the related assets

Revenue grants are recognised in the period in which the expenditure to which they relate is incurred

Where there are conditions attached to the use of these grants they are credited to the restricted fund. All other revenue grants are included in the general fund in unrestricted funds

Rental income is based upon the weekly charge arising in the accounting period to which it relates

Resources expended

Costs of generating funds are the costs of trading for fundraising purposes

The staff costs for each employee are allocated to direct charitable expenditure and management and administration by reference to the proportion of the employees's time spent on each activity or task and the nature of these activities and tasks

Expenditure that relates to the company as a whole, and which cannot otherwise be accurately apportioned is apportioned by reference to the total income, it is allocated to direct charitable expenditure and to support costs respectively. This method of apportionment is considered to best reflect the proportion of these expenses that are direct charitable expenditure and support costs respectively

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

continued

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage

Irrecoverable VAT

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

Fixed assets

Individual fixed assets costing £1000 or more are initially recorded at cost

Depreciation

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

Freehold property	2% straight line basis
Fixtures, fittings and office equipment	25% straight line basis/25% reducing balance
Caravan	25% reducing balance
Computer equipment	25% straight line

Research and development expenditure

Research and development expenditure is written off as incurred

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme

2 Voluntary income

	Unrestricted Funds £	Restricted funds £	Total Funds 2013 £	Total Funds 2012 £
Appeals and donations	3,113	9,686	12,799	-

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

continued

3 Investment income

	Unrestricted Funds £	Restricted funds £	Total Funds 2013 £	Total Funds 2012 £
Interest on cash deposits	6,477	-	6,477	5,973

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted funds £	Total Funds 2013 £	Total Funds 2012 £
Charitable activity				
Local authority funding	615,820	4,849,010	5,464,830	4,544,560
The Big Lottery Fund (Mentro Allen)	-	-	-	21,437
The Big Lottery - Park View	-	51,397	51,397	88,589
Tenant Contribution	10,791	-	10,791	7,848
Housing benefit	739,205	-	739,205	619,135
Property rent	17,570	6,593	24,163	27,033
Salaries income (ILF)	-	136,793	136,793	95,134
Employment services	396	-	396	118
Training courses	9,223	-	9,223	5,308
SPPG	314,226	-	314,226	297,482
Student Union Funding	-	59,561	59,561	63,422
Cafe income	77,962	-	77,962	71,602
Green Shoots income	77,647	-	77,647	118,637
Student Volunteering Cardiff	-	38,240	38,240	46,464
Tenant Support Income	-	219,837	219,837	219,804
All Wales Strategy Grant	-	324,760	324,760	324,760
WCVA - Engagement Gateway	-	77,857	77,857	93,689
Big Lottery Fund - Community wildlife	-	-	-	9,603
Misc grants and other income	81,441	76,759	158,200	157,047
	<u>1,944,281</u>	<u>5,840,807</u>	<u>7,785,088</u>	<u>6,811,672</u>

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

continued

5 Total resources expended

For the Year Ended 31 March 2013

	Operating activity	Charitable activity	Governance	Total
	£	£	£	£
Direct costs				
Fundraising costs	325	-	-	325
Employment costs	-	6,094,547	-	6,094,547
Establishment costs	-	37,732	-	37,732
Repairs and maintenance	-	12,380	-	12,380
Office expenses	-	583	-	583
Advertising, printing, posting and stationery	-	12,514	-	12,514
Equipment hire	-	6,833	-	6,833
Sundry and other costs	-	530	-	530
Cleaning	-	8,346	-	8,346
Cost of trustee meetings	-	-	2,411	2,411
Housing Association management fee	-	585,348	-	585,348
Cafe and Green Shoots expenditure	-	78,449	-	78,449
Travel and subsistence	-	46,889	-	46,889
Projects	-	12,189	-	12,189
Accountancy fees	-	-	8,450	8,450
Auditors' remuneration	-	-	7,000	7,000
Legal and professional costs	-	8,685	-	8,685
Bad debt expense	-	625	-	625
Depreciation of tangible fixed assets	-	25,583	-	25,583
	<u>325</u>	<u>6,931,233</u>	<u>17,861</u>	<u>6,949,419</u>
Support costs				
Employment costs	-	375,475	-	375,475
Establishment costs	-	63,795	-	63,795
Repairs and maintenance	-	4,355	-	4,355
Office expenses	-	66,780	-	66,780
Advertising, printing, posting and stationery	-	55,958	-	55,958
Subscriptions and membership fees	-	50	-	50
Equipment hire	-	12,279	-	12,279
Sundry and other costs	-	26,183	-	26,183
Cleaning	-	3,111	-	3,111
Cost of trustee meetings	-	7,645	-	7,645
Management fee	-	11,393	-	11,393
Travel and subsistence	-	5,630	-	5,630
Legal and professional costs	-	1,986	-	1,986
Depreciation of tangible fixed assets	-	5,974	-	5,974
	<u>-</u>	<u>640,614</u>	<u>-</u>	<u>640,614</u>
	<u>325</u>	<u>7,571,847</u>	<u>17,861</u>	<u>7,590,033</u>

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

continued

For the Year Ended 31 March 2012

	Operating activity	Charitable activity	Governance	Total
	£	£	£	£
Direct costs				
Fundraising costs	99	-	-	99
Employment costs	-	5,152,064	-	5,152,064
Establishment costs	-	76,762	-	76,762
Repairs and maintenance	-	5,721	-	5,721
Office expenses	-	1,036	-	1,036
Advertising, printing, posting and stationery	-	9,188	-	9,188
Equipment hire	-	17,635	-	17,635
Sundry and other costs	-	16,615	-	16,615
Cleaning	-	15,599	-	15,599
Cost of trustee meetings	-	-	4,147	4,147
Housing Association management fee	-	502,405	-	502,405
Cafe and Green Shoots expenditure	-	89,030	-	89,030
Travel and subsistence	-	40,824	-	40,824
Projects	-	12,452	-	12,452
Auditors' remuneration	-	-	13,076	13,076
Legal and professional costs	-	14,032	-	14,032
Bad debt expense	-	6,369	-	6,369
Depreciation of tangible fixed assets	-	12,067	-	12,067
	<u>99</u>	<u>5,971,799</u>	<u>17,223</u>	<u>5,989,121</u>
Support costs				
Employment costs	-	389,851	-	389,851
Establishment costs	-	48,734	-	48,734
Repairs and maintenance	-	9,597	-	9,597
Office expenses	-	38,819	-	38,819
Advertising, printing, posting and stationery	-	39,351	-	39,351
Equipment hire	-	2,345	-	2,345
Sundry and other costs	-	11,098	-	11,098
Cleaning	-	1,499	-	1,499
Cost of trustee meetings	-	-	1,527	1,527
Travel and subsistence	-	2,744	-	2,744
Legal and professional costs	-	7,524	-	7,524
Depreciation of tangible fixed assets	-	8,968	-	8,968
	<u>-</u>	<u>560,530</u>	<u>1,527</u>	<u>562,057</u>
	<u>99</u>	<u>6,532,329</u>	<u>18,750</u>	<u>6,551,178</u>

Innovate Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2013

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6 Trustees' remuneration and expenses

The trustees received no remuneration during the year or expenses in furtherance of their duties as trustees

7 Net income

Net income is stated after charging

	2013		2012
	£	£	£
Hire of other assets - operating leases	12,279		2,345
Auditors' remuneration - audit services	7,000		7,000
Depreciation of owned assets	<u>31,557</u>		<u>21,035</u>

8 Employees' remuneration

The average number of persons employed by the charity during the year, calculated on the basis of full time equivalents, was as follows

	2013 No.	2012 No
Central Office Administration	16	15
Direct charitable employees	<u>334</u>	<u>282</u>
	<u>350</u>	<u>297</u>

No employee received emoluments of more than £60,000 during this or the previous year

The aggregate payroll costs of these persons were as follows

	2013 £	2012 £
Wages and salaries	5,733,274	4,898,897
Social security	432,988	395,436
Other pension costs	<u>150,303</u>	<u>147,193</u>
	<u>6,316,565</u>	<u>5,441,526</u>

9 Taxation

The trade carried out by the Charity is primary purpose trading as it enables the service users to gain qualification and experience in a work environment, the charity is therefore exemption from taxation

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

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10 Tangible fixed assets

	Freehold interest in land and buildings £	Fixtures, fittings and office equipment £	Fixtures, fittings and caravan £	Total £
Cost				
As at 1 April 2012	947,057	78,006	6,474	1,031,537
Additions	-	14,210	21,669	35,879
Disposals	-	(10,488)	-	(10,488)
As at 31 March 2013	<u>947,057</u>	<u>81,728</u>	<u>28,143</u>	<u>1,056,928</u>
Depreciation				
As at 1 April 2012	344,087	66,968	827	411,882
Eliminated on disposals	-	(10,488)	-	(10,488)
Charge for the year	16,510	7,922	6,829	31,261
As at 31 March 2013	<u>360,597</u>	<u>64,402</u>	<u>7,656</u>	<u>432,655</u>
Net book value				
As at 31 March 2013	<u>586,460</u>	<u>17,326</u>	<u>20,487</u>	<u>624,273</u>
As at 31 March 2012	<u>602,970</u>	<u>11,038</u>	<u>5,647</u>	<u>619,655</u>

Included in freehold land and buildings is £85,771 relating to land which is not depreciated

11 Debtors

	2013 £	2012 £
Trade debtors	679,220	96,834
Other debtors	4,943	3,164
Prepayments and accrued income	160,989	75,768
	<u>845,152</u>	<u>175,766</u>

Innovate Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2013

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12 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	40,873	54,451
Taxation and social security	136,943	132,514
Other creditors	267,879	240,311
Accruals and deferred income	127,509	301,292
	<u>573,204</u>	<u>728,568</u>

Creditors amounts falling due within one year includes deferred income

	2013	2012
	£	£
Deferred income	266,444	290,560
Amount released to incoming resources	(266,444)	(290,560)
Deferred income received during the year	82,723	266,444
Deferred income	<u>82,723</u>	<u>266,444</u>

Deferred income is made up of WCVA £12,654, Big Lottery £5,822, Esme Fairbairn foundation £12,898, Cardiff Council £39,502, Awards for All £1,105 and GwirVol £5,000 =

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

14 Operating lease commitments

As at 31 March 2013 the charity had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2013	2012
	£	£
Within one year	266	3,289
Within two and five years	4,024	-
	<u>4,290</u>	<u>3,289</u>

15 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £150,303 (2012 - £147,193)

Innovate Trust Ltd

Notes to the Financial Statements for the Year Ended 31 March 2013

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There were no outstanding or prepaid contributions at either the beginning or end of the financial year

16 Analysis of cash flows

	2013 £	2012 £
Returns on investment and servicing of finance		
Other interest paid	6,477	-
Interest received	-	5,973
	<u>6,477</u>	<u>5,973</u>

17 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	<u>1,484,574</u>	<u>(615,037)</u>	<u>869,537</u>

18 Reconciliation of net movements in funds to operating cash flows

	2013 £	2012 £
Net incoming resources	214,331	266,467
Investment income	(6,477)	(5,973)
Depreciation, amortisation and impairment charges	31,261	26,977
(Increase)/decrease in debtors	(669,386)	50,577
(Decrease)/increase in creditors	(155,364)	64,939
Net cash (outflow)/inflow from operating activities	<u>(585,635)</u>	<u>402,987</u>

Innovate Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2013

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19 Analysis of funds

	At 1 April 2012	Incoming resources	Resources expended	Transfers	At 31 March 2013
	£	£	£	£	£
General Funds					
Unrestricted income fund	688,093	1,953,871	(2,112,218)	257,213	786,959
Restricted funds					
Capital grants	556,454	-	(1,002)	-	555,452
Local authority funding	271,042	4,826,644	(4,438,003)	(257,213)	402,470
Big Lottery Fund	-	51,397	(51,397)	-	-
Tenant contributions	758	6,593	(5,983)	-	1,368
ILF	-	136,793	(136,793)	-	-
SPG	24,981	-	(24,981)	-	-
Student Union funding	3,914	59,561	(59,561)	-	3,914
Countryside Council for Wales	-	1,001	(1,001)	-	-
Esmée Fairbairn	-	25,426	(25,426)	-	-
The Waterloo Foundation	5,000	1,000	(980)	-	5,020
Holiday home purchase fund	1,185	9,686	(296)	-	10,575
All Wales Strategy Grant	-	324,760	(324,760)	-	-
Student Volunteering Cardiff	-	38,240	(38,240)	-	-
Environment Wales	-	10,000	(10,000)	-	-
WCVA - Engagement Gateway	-	77,857	(77,857)	-	-
WCVA - Volunteering in Wales	-	8,854	(8,854)	-	-
Children services	-	22,366	(22,366)	-	-
Tenant Support income grant	-	219,837	(219,837)	-	-
Awards for All	-	3,866	(3,866)	-	-
C3CS - Third Sector grant	-	2,520	(2,520)	-	-
NIACE	-	345	(345)	-	-
Student Volunteers call centre SV2	-	18,747	(18,747)	-	-
WCVA GWIRVOL	-	5,000	(5,000)	-	-
	863,334	5,850,493	(5,477,815)	(257,213)	978,799
	1,551,427	7,804,364	(7,590,033)	-	1,765,758

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

Capital Grant is related to the funding of Property. These funds are being released to unrestricted funds over the useful life of the assets concerned

Local Authority Funding - Funding to support Community Living

The Big Lottery grant for the Park View Bistro is to contribute towards the salaries of 11 staff and associated running costs. The aim of the project is to train people with learning disabilities in catering, customer service and employment skills that will help them to move on to voluntary work or paid employment

Innovate Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2013

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Tenant contributions are to reimburse the organisation for costs spent that are liable to the tenant

ILF – Independent Living Fund provides money to help disabled people live an independent life in the community rather than in residential care

SPG funding to Support people within the Community Living Schemes

Student Union Funding

a) Funded posts Assistant Manger (Full time) Project Worker (Full Time)

b) Volunteer expenses, training, car expenses, and project materials

Countryside Council for Wales - funding for the provision of external tutoring and other costs associated with the conservation work carried out by Venture Out

Esmee Fairbairn for the salary of a Transition Officer The main objective of the post is to help young people with learning disabilities make a transition from education to a working life

The Waterloo Foundation awarded a one off grant of £10,000 towards the purchase of a refrigerated van for Green Shoots catering

Holiday home purchase fund has set-up to raise funds to purchase a holiday home for service users

All Wales Statergy grant funding to support people with learning disabilities to lead independent lives within the community

Student Volunteering Cardiff - Re-chargeable salary costs for SVC staffing

Environment Wales – A management grant from the Welsh Government for the position of Project Officer to develop Field Days Organic

WCVA - Engagement Gateway –funded by the European Social Fund via Wales Council for Voluntary Action to engage economically inactive people, particularly those who face multiple barriers to employment The aim is to build their confidence and skills that will move them towards sustainable employment This includes giving participants the skills and increased confidence to enable them to become economically active Funding has been obtained from WCVA by competitive tender The work is being carried out by the staff of field Days Organic, Venture Out, Green Shoots and Park View cafe and Wesley's Coffee Shop

WCVA - Volunteering in Wales project provides new opportunities for young people to become involved in volunteering, particularly those who are disabled, young, unemployed or over fifty years of age

Children's services – received towards salary costs

Tenant Support income grant - supporting individuals to maintain their tenancies, funded by Cardiff CC

Awards 4 All – A grant from the Big Lottery Fund to commence a new social enterprise café project in St John's Church to provide training opportunities for people with learning disabilities

C3SC (Cardiff Third Sector Council) – A grant for the purchase of a new coffee machine that will provide realistic training opportunities at our café in St John's Church

NIACE - received towards salary costs for the Venture Out project

Student Volunteers call centre SV2 – received to cover salary costs

WCVA – GWIRVOL – received towards salary costs for the Venture Out project

Innovate Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2013

continued

20 Transfers

Monies have been transferred from Local Authority funding to unrestricted funds, this represents the surplus on the whole of the old Vale Contract which ended on 7 October 2012

21 Net assets by fund

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	58,246	566,027	624,273
Current assets	728,713	412,772	1,141,485
	<u>786,959</u>	<u>978,799</u>	<u>1,765,758</u>