

REGISTERED COMPANY NUMBER: 07221470 (England and Wales)  
REGISTERED CHARITY NUMBER: 1136377

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 MARCH 2014**  
**FOR**  
**3SPACE**

Raffingers Stuart  
Chartered Certified Accountants  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

TUESDAY



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23/12/2014

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COMPANIES HOUSE

3SPACE

CONTENTS OF THE FINANCIAL STATEMENTS  
for the year ended 31 March 2014

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 8

### 3SPACE

#### REPORT OF THE TRUSTEES for the year ended 31 March 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
07221470 (England and Wales)

**Registered Charity number**  
1136377

**Registered office**  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

#### **Trustees**

Mr E R E Cohen	Clinical Research	
Ms A L M Coutinho	Doctor	- resigned 5.7.13
Mr W D P Hyslop	Trustee	
Mr N D Elliot	Trustee	- appointed 1.8.13
Mr A J Brown	Trustee	- appointed 1.8.13

**Company Secretary**  
Mr E R E Cohen

#### **Independent examiner**

Raffingers Stuart  
Chartered Certified Accountants  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

The Charity is also registered with the Office of the Scottish Charity Regulator (OSCR) number SC042130.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitute a limited company, limited by guarantee, as defined by the Companies Act 2006.

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

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

The initial Trustees founded the company due to their interest in the aims of the charity as set out below.

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

All Trustees have read the guidance issued by the Charity Commission concerning their roles and obligations.

Trustees can retire when they wish as they do not serve under a fixed term of tenure.

##### **Organisational structure**

Trustees meet informally on a regular basis to manage the activities of the charity, which are organised by the executive management committee.

A Trustee is required to sign any property lease that the charity enters into.

##### **Risk management**

The Trustees have conducted a full risk assessment of the organisation. Various systems and checks have been put into operation and these are reviewed annually.

The Trustees are satisfied that systems are in place to mitigate our exposure to those major risks.

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **3SPACE**

### **REPORT OF THE TRUSTEES** **for the year ended 31 March 2014**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charity's objects ("Objects") are specifically restricted to the following:

- (1) To promote the efficiency and effectiveness of charities and the effective use of charitable resources for the benefit of the public by providing charities, non-profit or community organisations with access to property in otherwise vacant units on a non-commercial basis; and
- (2) To promote charitable use of property as a means of empowering communities, regenerating areas, developing a robust community sector, supporting social enterprise and delivering public benefit.

##### **Significant activities**

The charity's work involves signing short-term, meanwhile use, leases on empty commercial properties, which are then made available to charitable organisations, social enterprises, recognised community groups and qualifying local start-up businesses.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **How our activities deliver public benefit**

Our main activities and who we try to help are described below. All our activities focus on providing charities, not for profit organisations and qualifying local start-up businesses with access to properties in which they can carry out their own activities for public benefit.

During the period, the charity provided space to over 150 organisations across 6 properties.

Organisations who used our spaces have included registered charities (with a primary focus on education, unemployment, health, sport, start up business and youth), universities, social enterprises, community groups, qualifying local start-up businesses and local authorities.

Projects running in the charity's properties have continued to expand the reach of voluntary and community sector organisations at a time when traditional models of service delivery have been under pressure if not out-of-reach.

A brief summary of activities undertaken by beneficiary organizations during the period is included below:

The charity's largest and most successful project was in Audit House on the Victoria Embankment in the City of London, which ran from December 2012 until September 2013. The 30,000 square foot former courthouse was used by over 50 organisations, while a further 50 organisations participated in the Re:Think Festival, a large scale conference on the topic of urban sustainability and how cities could use resources in a more effective and socially responsible way. Other activities in the building included office space, theatre and musical rehearsals and performances, exhibitions, talks, workshops, conferences, training leadership programmes, performance art and after-school classes. The charity also hosted monthly drinks events where users could collaborate, network and skill share.

The charity also worked with the Cabinet Office under the Space for Growth initiative in Merton from May to November 2013. Working with the DVLA and the Department of Business, Innovation and Skills we opened an office hub for early stage start-ups as well as charities and not for profits, with an additional space used for theatre rehearsals, talks and workshops. The charity also offered business support for local organisations in partnership with the Merton Chamber of Commerce. In total 28 different organisations used the space.

The charity's Oxford Street unit continued to be a popular and in demand space, with 31 organisations using the space during the period. Uses ranged from hot-desking to exhibitions, drama rehearsals and performances, workshops, art installations, music rehearsals, language classes, and a meeting and conference venue.

The charity's retail unit in Blackpool was used by NW Baseline CIC a local arts organisation. Activities in the unit included painting, screen printing, t-shirt printing and street art. By securing a visible location to display artwork, certain local artists went on to secure commissions and were able to discuss future partnerships with the Council. NW Baseline CIC also ran a program of free classes for local children many of whom had been excluded from school.

In Wigan we continued to work with the MS Society. The space was used as a café, to fundraise through a retail provision and also provided a space where sufferers of MS could receive physical therapy and counselling. Alongside the revenue that the MS Society were able to generate through the use of the space the other significant benefit was that the activities offered in the space helped to combat social isolation amongst the elderly.

A further retail unit was secured in East Kilbride during the period, but the space required various building works to ensure it was health and safety compliant. These were successfully undertaken during the period and the unit is now up and running.

Further details of additional past projects can be found on the Charity's website.

During the period, the charity has continued to work with and develop its Advisory Panel - a group of experts from the property, regeneration and marketing sectors - who meet once a quarter to provide advice and direction. 3Space hugely appreciates the time, effort and valuable support generously given by the members of the Panel.

The charity was also delighted to be selected as the winner for the European region in the Financial Times and Citi Urban Ingenuity awards in December 2013, a global competition created to recognise innovative solutions to urban challenges.

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The Trustees aim for the Charity to build up reserves of £40,000, approximately equal to six months of total resources expended. The trustees believe this decrease (from the prior period's reserves target of £110,000) is reflective of the current and immediate position of the charity.

The financial position at the end of the period was a surplus of £32,262 (2013 - £62,129). Continued progress has been made towards achieving the reserves target, and the Trustees are confident that the Charity will continue to operate in the future and are in the opinion that it will meet its liabilities as and when due.

3SPACE

**REPORT OF THE TRUSTEES**  
**for the year ended 31 March 2014**

**FINANCIAL REVIEW**

**Investment policy and objectives**

Under its Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of operating the charity have maintained a policy of keeping available funds in interest bearing deposit accounts.

**FUTURE DEVELOPMENTS**

Given the continued economic climate and the active efforts by the current government to stimulate economic and urban regeneration via activation of vacant property, the charity is confident that it is well placed to continue to delivering significant public benefit from otherwise un-utilised resources.

However, the volume of property under the charity's control continued to be significantly reduced following the placing into administration of the charity's largest commercial partner, JJB Sports in September 2012.

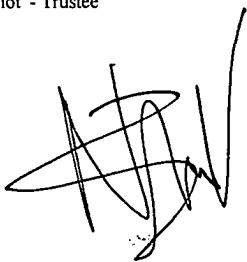
As a result, the charity continues to actively seek to engage additional new partners, both commercial and governmental in order to expand its activities.

Since the year-end, the charity continued to deliver its objectives in partnership with the Cabinet Office's Space for Growth initiative, with a second office hub opened in Croydon in April 2014.

In December 2014, the charity also partnered with Barclays Bank to open its first 'Hatch', a community innovation and event space in an ex-bank branch in Oxford, the first in a series of pilots scheduled for 2015.

Approved by order of the board of trustees on 22 December 2014 and signed on its behalf by:

Mr N D Elliot - Trustee



22.12.14

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**3SPACE**

I report on the accounts for the year ended 31 March 2014 set out on pages five to eight.

**Respective responsibilities of trustees and examiner**

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

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

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

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

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

**Independent examiner's statement**

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

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

Raffingers Stuart  
Chartered Certified Accountants  
19-20 Bourn Court  
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IG8 8HD

22 December 2014

**3SPACE**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 March 2014**

	Notes	2014 Unrestricted fund £	2013 Total funds £
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds</b>			
Voluntary income		52,336	260,864
<b>RESOURCES EXPENDED</b>			
<b>Charitable activities</b>			
Provision of free space		79,990	213,895
Governance costs		2,025	4,020
Other resources expended		188	3,474
<b>Total resources expended</b>		<b>82,203</b>	<b>221,389</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>(29,867)</b>	<b>39,475</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>62,129</b>	<b>22,654</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>32,262</b>	<b>62,129</b>

The notes form part of these financial statements

**3SPACE**

**BALANCE SHEET**  
**At 31 March 2014**

		2014	2013
		Unrestricted fund	Total
		£	funds
	Notes		£
<b>FIXED ASSETS</b>			
Investments	4	100	100
<b>CURRENT ASSETS</b>			
Debtors	5	37,836	83,761
Cash at bank		13,826	51,921
		<u>51,662</u>	<u>135,682</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	(19,500)	(73,653)
<b>NET CURRENT ASSETS</b>		<u>32,162</u>	<u>62,029</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>32,262</u>	<u>62,129</u>
<b>NET ASSETS</b>		<u><u>32,262</u></u>	<u><u>62,129</u></u>
<b>FUNDS</b>	7		
Unrestricted funds		<u>32,262</u>	<u>62,129</u>
<b>TOTAL FUNDS</b>		<u><u>32,262</u></u>	<u><u>62,129</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2014.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2014 in accordance with Section 476 of the Companies Act 2006.

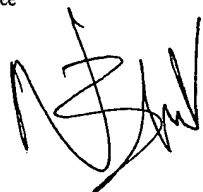
The trustees acknowledge their responsibilities for

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 22 December 2014 and were signed on its behalf by:

Mr N D Elliot -Trustee



22.12.14

The notes form part of these financial statements



### **3SPACE**

#### **notes to the financial statements** **for the year ended 31 March 2014**

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The accounts have been prepared on the going concern basis as the Trustees are of the opinion that the company will meet its liabilities as and when due.

### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Taxation**

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

### **Fund accounting**

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

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

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

### **Investments**

Investment in subsidiaries are valued at cost less provision for impairment.

## **2. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	-	1,860

## **3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013.

### **Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2014 nor for the year ended 31 March 2013.

## **4. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2013 and 31 March 2014	100
<b>NET BOOK VALUE</b>	
At 31 March 2014	100
At 31 March 2013	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**3SPACE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 March 2014**

**4. FIXED ASSET INVESTMENTS - continued**

3Space Trading Ltd  
Country of incorporation: United Kingdom  
Nature of business: Co-ordination and management of property

Class of share:	%	
Ordinary	holding	
	100	

	2014	2013
	£	£
Aggregate capital and reserves	10,080	8,060
Profit for the year	2,494	5,005
	<u>12,574</u>	<u>13,065</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Trade debtors	1,160	-
Amounts owed by group undertakings	33,451	83,761
Other debtors	3,225	-
	<u>37,836</u>	<u>83,761</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Other creditors	19,500	73,653
	<u>19,500</u>	<u>73,653</u>

**7. MOVEMENT IN FUNDS**

	At 1.4.13	Net movement in funds	At 31.3.14
	£	£	£
<b>Unrestricted funds</b>			
General fund	62,129	(29,867)	32,262
	<u>62,129</u>	<u>(29,867)</u>	<u>32,262</u>
<b>TOTAL FUNDS</b>	<u>62,129</u>	<u>(29,867)</u>	<u>32,262</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	52,336	(82,203)	(29,867)
	<u>52,336</u>	<u>(82,203)</u>	<u>(29,867)</u>
<b>TOTAL FUNDS</b>	<u>52,336</u>	<u>(82,203)</u>	<u>(29,867)</u>

**8. RELATED PARTY DISCLOSURES**

During the year the company received donations of £49,125 (2013 - £259,072) from the subsidiary company 3Space Trading Limited.

At the balance sheet date the company was owed £33,451 (2013 - £83,860) by 3Space Trading Limited; this was received shortly after the year end date.