

Company No : 371615
Charity No : 208446

The Fellowship of St Nicholas
(A company limited by guarantee)

Financial Statements

for the year ended
31 March 2018

Acuity Professional Partnership LLP
Chartered Accountants

91/97 Bohemia Road
St Leonards on Sea
East Sussex
TN37 6RJ

The Fellowship of St Nicholas

Legal and administrative information

Charity No : 208446

Company No : 371615

Patrons: The Bishop of Chichester
The Baroness Fookes DBE, DL

President: M C E Green MBE

Directors and Trustees : The Reverend M N Harper (Chairman until 20 November 2017, Vice-Chairman there-after)
P Carcas (Vice Chairman until 20 November 2017, Chairman there-after)
D Froude (Treasurer)
D Edwards (Resigned 18 September 2017)
J Wyatt
S Garner
R Foster (Resigned 8 March 2018)
M Blandy
A Bissett
G Marriott (Appointed 18 September 2017)
J Tilbrook (Appointed 18 September 2017)
R Cuff (Appointed 15 January 2018)

Company Secretary : T E Rose

Registered Office and Principal Place of Business : The St Nicholas Centre
66 London Road
St Leonards on Sea
East Sussex
TN37 6AS

Auditors : Acuity Professional Partnership LLP
91/97 Bohemia Road
St Leonards on Sea
East Sussex
TN37 6RJ

Bankers : Lloyds Bank PLC
17 Wellington Place
Hastings
East Sussex
TN34 1NX

The Fellowship of St Nicholas
Trustees Report
For the year ended 31 March 2018

Principal activities and review of business

FSN's principal activities are based in our Purpose which is to:

'Aim to provide effective and professional caring action without discrimination and favour for children and young people suffering the effects of poverty, disadvantage, neglect and abuse.'

FSN understands the issues facing families living in the area, which include:

- Hastings is the 13th most deprived town nationally (IMD 2015)
- Overall claimant rates are 4.8% compared to the national average of 2.2% [June 2018]
- Central St Leonards area, where unemployment rates are 8.9% has the highest number of claimants and claimant rate in the county ranking third highest of all wards in the South East. [East Sussex in figures June 2018]
- Individuals will be affected by isolation, poverty, unemployment medical conditions including mental health impacting on their ability to engage in other mainstream activities. 95% of learners attending community courses at FSN admit to mental health issues.
- Hastings claimant rates are higher among 18-24 year olds than for all ages 3.6% in the county and 6.65% in Hastings. [East Sussex in figures June 2018].
- Unemployed parents/carers living with low incomes may also experience high levels of stress impacting on children's mental health. In Hastings 29% of children are affected by impoverished circumstances.

The work of FSN this year has focused on health and wellbeing activity and services for children, young people and adults. FSN was awarded funding from the Hastings and Rother Clinical Commissioning Group (CCG) until 2020 to lead on 2 Community Health and Wellbeing Centres in the Central St Leonards and North St Leonards areas, working with partners; YMCA, Optivo Homes and the Hollington Community Centre.

The centres offer a range of services including adult community learning courses commissioned by Sussex Coast College Hastings focusing on wellbeing, mindfulness and employability skills; family learning courses commissioned by East Sussex County Council supporting healthy eating and craft activity and volunteer led activity, supporting people within the community and support to access on-line services.

FSN continues to listen to the needs of our community and this year set up a Food Pantry pilot with support from Trusts in response to the growing issue of food poverty. Although in its early stages at the point of writing this report, it is planned that this project will grow with support from local volunteers and food providers to alleviate the stress on parents/carers who do not have enough money to buy food and provisions for their family.

Our volunteers are highly valued and play a huge part in the support and delivery of services for the local community. This year, FSN was able to offer progression for volunteers wanting

to work in childcare through the delivery of a free Level 2 Children and Young People's Workforce qualification, with support for their placements at one four FSN nurseries.

In the last year, the remaining two Nurseries were inspected by Ofsted with all four Nurseries now graded as 'Good'. FSN is using the feedback to further develop the skills of staff to move to 'Outstanding' provision.

With the ongoing need for fundraising to support our projects and activity, FSN Trustees took the decision to recruit to an Events Manager post responsible for promoting the work of FSN, liaising with businesses and organising regular events with the support of volunteers. Still in its infancy, the aim is to increase the profile of FSN and engage business and the local community in fundraising activity to support more vulnerable local people.

Due to the generosity of a former Board Member through a legacy, FSN Trustees agreed to invest some of the money into upgrading the boiler to a more energy efficient system in the main building in London Road, which, in the longer term, will create a saving on energy bills.

FSN Year in Figures

- A footfall of 47,145 across the St Nicholas Centre, St Leonards Children's Centre and the Robsack Centre;
- 300 children registered with FSN nurseries;
- 79 people accessing accredited learning;
- 250 young people accessing services; and
- 7700 volunteer hours across the organisation

Partnerships

As the charity sector nationally moves into more challenging times in terms of funding, FSN understands the importance of working closely with other voluntary sector organisations locally to bid for funding opportunities or tender for contracts in line with the Charity's aims and objectives. The history of success in providing quality services which improve the lives of children, young people and families, means the organisation is able to add value to bids and in some cases take the lead in managing contracts. In the last year, FSN has worked in partnership with; Hastings and Rother CCG, Hastings Borough Council, Sussex Coast College Hastings, East Sussex County Council and members of the Skills and Learning in the Community Trust (SLiC).

Risk Management

As part of FSN's Board of Trustees annual strategic planning day, the Chief Executive tables the Risk Management plan as part of the strategic documents for discussion and approval. This reviews the major risks that the Charity may be exposed to and identifies control measures that mitigate the risks. Trustees are advised by auditors of any impending changes and reporting procedures.

Reserves

The Trustees have examined the requirements for free reserves which are those unrestricted funds not invested in fixed assets.

The aim of the Charity's work is for all projects to be self-funded, including an allowance for the cost of relevant management time. The cost of the projects is monitored on a regular basis through a detailed cash flow forecast up to six months in advance.

The policy of the Trustees is to build reserves for six months core costs by means of prudent management of investment assets to ensure that there is sufficient liquidity available to finance the charity's work at all times. As at 31st March 2018, free reserves were £50,000.

Public Benefit

The Board have referred to the Charity Commission's guidance on Public Benefit when reviewing the aims and objectives and planning future activities. In particular the Trustees have considered how the planned activities of the organisation will contribute to the aims and objectives that have been established for the charity.

Transactions and Financial position

The Statement of Financial Activities on Page 7 shows that expenditure on Unrestricted Funds was met by income and in line with the management policy adopted by the Trustees.

Tangible Fixed Assets of the Charity

The movement in fixed assets during the year is shown on Page 16

Future Plans

FSN plans to focus on the following areas in the coming year:

- Supporting and promoting literacy in our early years provision
- Maintaining and developing projects which support children and young people's mental health and attachment with their parent/carer
- Working in partnership to offer quality training and learning opportunities for young people and adults
- Continue to develop and increase fundraising activity

Governance and Management

FSN reviews its aims, objectives and activities each year. This review looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure FSN's aim, objectives and activities remain focused on the stated purposes. FSN have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

FSN has a Board of 10 Trustees who bring experience and knowledge in a variety of areas. This includes; early years, adult learning, mental health, Governance, HR, charity accounts, equalities and safeguarding. The Board meets bi-monthly and annually for a strategic planning day. Trustees with relevant experience also attend sub-Committee meetings for Finance matters and Personnel sub-Committees have delegated authority from the Board to make decisions in support of the organisation.

The FSN's Board members are:

- Peter Carcas – Chair
- Rev'd Martin Harper – Vice Chair
- David Froude – Treasurer
- Alison Bissett – Ofsted nominated person for FSN Nurseries
- Janet Wyatt
- Sandra Garner
- Michael Blandy
- Jocelyn Tilbrook – (elected September 2017)
- Gary Marriott – (elected September 2017)
- Richard Cuff – (co-opted January 2018)
- Dick Edwards – (resigned September 2017)
- Rosemary Foster – (resigned March 2018)

FSN were delighted to welcome Sara Stoner DL as a new Patron for the organisation.

Management of the Charity is delegated to the Chief Executive and the staff team. The charity employs 14 full time staff, 47 part time staff, 7 sessional staff, 7 tutors and 7 Assessors. During the year FSN received support from 101 volunteers.

Auditors

Auditors are appointed at FSN's AGM. FSN's AGM was held on Monday 18th September 2017, when Acuity Professional Partnership LLP were appointed as FSN's auditors. FSN's 2018 AGM will be held Wednesday, 19th September 2018.

By order of the Board



T. Rose

Chief Executive

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE FELLOWSHIP OF ST NICHOLAS

Opinion

We have audited the financial statements of The Fellowship of St Nicholas (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 audit 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE FELLOWSHIP OF ST NICHOLAS

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, 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, and for such internal control as the trustees 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Registered Auditors (Senior Statutory Auditor)
for and on behalf of Acuity Professional (Sellens French) LLP
91-97 Bohemia Road
St Leonards on Sea
East Sussex
TN37 6RJ

Date: 25 June 2018

The Fellowship of St Nicholas
Statement of Financial Activities
(Including Income and Expenditure Account)
for the year ended 31 March 2018

	Note	Unrestricted Funds				2017
		Restricted	General	Property	Total	
		Funds	Funds	Funds	Funds	
		2018	2018	2018	2018	
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	2	83,705	47,008	-	130,713	276,074
Charitable activities	3	825,824	40,433	-	866,257	892,660
Other trading activities	4	5,501	373,175	-	378,676	401,847
Investments	5	-	1,785	-	1,785	1,550
Total income and endowments		915,030	462,401	-	1,377,431	1,572,131
Expenditure on:						
Raising funds		-	4,785	-	4,785	6,748
Charitable activities	6	895,758	501,045	16,277	1,413,080	1,485,753
Total Expenditure		895,758	505,830	16,277	1,417,865	1,492,501
Net gains/(losses) on investments	13	-	(1,579)	-	(1,579)	3,619
Net income/(expenditure)		19,272	(45,008)	(16,277)	(42,013)	83,249
Transfers between funds		-	45,008	(45,008)	-	-
Net movement in funds		19,272	-	(61,285)	(42,013)	83,249
Reconciliation of funds						
Total funds brought forward		300,778	50,000	982,652	1,333,430	1,250,181
Total Funds Carried Forward	17	320,050	50,000	921,367	1,291,417	1,333,430

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The Funds Carried Forward are allocated as follows:-

Projects	100,441	-	-	100,441	76,035
Funds surplus	-	50,000	-	50,000	50,000
St Nicholas Centre	-	-	491,898	491,898	497,965
Property fund	219,609	-	409,577	629,186	683,865
St Leonards Childrens Centre	-	-	19,892	19,892	25,565
Total Funds Carried Forward	320,050	50,000	921,367	1,291,417	1,333,430

The notes on pages 8 to 16 form part of these financial statements.


The Fellowship of St Nicholas


Balance Sheet
as at 31 March 2018

		2018		2017	
	Note	£	£	£	£
Fixed Assets					
Tangible assets	12	1,057,965		1,079,772	
Investments	13	40,898		20,873	
			1,098,863		1,100,645
Current Assets					
Debtors	14	81,724		49,602	
Cash at bank and in hand - Property fund		72,929		117,937	
Cash at bank and in hand - Other funds		97,711		137,107	
		252,364		304,646	
Creditors: amounts falling due within one year	15	19,810		31,861	
Net current assets			232,554		272,785
Total assets less current liabilities			1,331,417		1,373,430
Creditors: amounts falling due after more than one year	16		40,000		40,000
Net Assets			1,291,417		1,333,430
Unrestricted funds					
General funds	17				
Funds surplus			50,000		50,000
Property fund					
St Nicholas Centre		491,898		497,965	
Property fund		409,577		459,122	
St Leonards Childrens Centre		19,892		25,565	
			921,367		982,652
Restricted funds	17		320,050		300,778
			1,291,417		1,333,430

These accounts are prepared in accordance with the special provisions of Part XV of the Companies Act 2006 relating to small entities.

Approved by the board of trustees and signed on its behalf


..... Trustee
Mr D Froude
25 June 2018


..... Secretary
Ms T E Rose

The notes on pages 8 to 16 form part of these financial statements.

The Fellowship of St Nicholas

**Statement of Cash Flows
for the year ended 31 March 2018**

	Note	2018 £	2017 £
Cash flow from operating activities	19	(64,585)	90,366
Net cash flow from operating activities		(64,585)	90,366
Cash flow from investing activities			
Payments to acquire tangible fixed assets		-	(55,153)
Receipts from sales of tangible fixed assets		-	-
Receipts from sales of investments		-	20,636
Payments to acquire investments		(21,604)	-
Interest received		-	138
Dividends received		1,785	1,412
Net cash flow from investing activities		(19,819)	(32,967)
Net increase in cash and cash equivalents		(84,404)	57,399
Cash and cash equivalents at 1 April 2017		255,044	197,645
Cash and cash equivalents at 31 March 2018		170,640	255,044
Cash and cash equivalents consists of:			
Cash at bank and in hand		170,640	255,044
Cash and cash equivalents at 31 March 2017		170,640	255,044

The Fellowship of St Nicholas

Notes to the Accounts for the year ended 31 March 2018

1 Summary of significant accounting policies

a General information and basis of preparation

The Fellowship of St Nicholas is a charitable company limited by guarantee and incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information appended to these financial statements. The nature of the charity's operations and principle activities are that of providing support and education to disadvantaged children and their families in St Leonards on Sea, East Sussex and the surrounding area.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Charities Act 2011, the Companies Act 2006 and Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each specific fund is set out in the notes to the financial statements.

c Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The Fellowship of St Nicholas

Notes to the Accounts for the year ended 31 March 2018 (Continued)

1 Summary of significant accounting policies (continued)

c Incoming resources (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'income from other trading activities'. Upon sale, the value of the stock is charged against 'income from other trading activities' and the proceeds are recognised as 'income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives local government grants in respect of the provision of childcare facilities. Income from local government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Other income includes the conversion of endowment funds into income which arises when capital funds are released to an income fund from expendable endowments or when a charity has authority to adopt a total return approach to its permanent endowment fund. It also includes other income such as gains on disposals of tangible

d Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

The Fellowship of St Nicholas
Notes to the Accounts
for the year ended 31 March 2018
(Continued)

1 Summary of significant accounting policies (continued)

d Expenditure recognition (continued)

Costs of raising funds includes expenses directly related to fund raising, such as advertising a fundraising event;

Expenditure on charitable activities includes expenses involved in the running of charitable projects, such as staff salaries; and

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources. Premises overheads have been allocated by a calculation based on the amount of time that an activity uses a facility and the floor area occupied by that activity and other overheads have been allocated on a staff hours basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 7.

f Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold property	1% straight line
St Nick's Nursery & Training Centre	1% straight line and 10% straight line
St Leonards Childrens Centre	10% straight line
Fixtures, fittings & equipment	20% straight line
Computer equipment	33.3% straight line
Motor vehicles	25% straight line

A property, The Robsack Centre, is managed by the charitable company. It is leased from Hastings Borough Council, on a 30 year lease ending on 18 January 2033, in order to enable the charity to further develop the effectiveness of its charitable work.

g Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if their fair value can be measured reliably.

Current asset investments are short-term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

The Fellowship of St Nicholas

Notes to the Accounts for the year ended 31 March 2018 (Continued)

h Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market rates and are made to advance charitable purposes. Where the loan is repayable more than one year, the loan is initially measured at fair value and the charity has adopted the policy that no provision is made for impairment or amortisation subsequently.

j Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

k Employee benefits

When employees have rendered service to the charity, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

l Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

m Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going

2 Income from donations and legacies

	Restricted Funds £	Unrestricted Funds £	Property Funds £	2018 Total £	2017 Total £
Gifts:-					
Church collections	497	222	-	719	724
School collections	351	143	-	494	2,096
Individuals, clubs and societies	27,561	6,043	-	33,604	47,006
Corporate	10,766	100	-	10,866	7,518
Local Authority	-	37,500	-	37,500	37,500
Trusts	44,530	3,000	-	47,530	27,519
	<u>83,705</u>	<u>47,008</u>	<u>-</u>	<u>130,713</u>	<u>122,363</u>
Legacies:-					
J B Trevor Williams	-	-	-	-	153,711
	<u>83,705</u>	<u>47,008</u>	<u>-</u>	<u>130,713</u>	<u>276,074</u>

The Fellowship of St Nicholas

Notes to the Accounts
for the year ended 31 March 2018
(Continued)

3 Income from charitable activities

	Restricted Funds £	Unrestricted Funds £	Property Funds £	2018 Total £	2017 Total £
Performance related grants:-					
ESCC EYISF	2,775	-	-	2,775	8,436
ESCC (SLCC)	19,116	-	-	19,116	19,116
ESCC Halo Funding	12,000	-	-	12,000	20,000
ESCC - Reducing Health Inequalities	9,810	-	-	9,810	-
ESCC - Family Learning	-	1,550	-	1,550	-
SCCH - Apprentices	-	3,202	-	3,202	-
Children In Need	22,908	-	-	22,908	13,843
ESCC - Children's Centre	19,116	-	-	19,116	-
ESCC - EYEE	471,551	-	-	471,551	493,944
HBC	27,590	-	-	27,590	65,432
HBC - Robsack	20,666	-	-	20,666	5,150
SCCH	-	23,431	-	23,431	19,658
PCT/NHS	-	-	-	-	6,000
SCF - CCG	-	-	-	-	9,894
Thurrock Council (LoCase)*	7,000	-	-	7,000	-
Wooden Spoon	-	12,250	-	12,250	-
Big Lottery Fund - Dragonflies: 10072686	36,874	-	-	36,874	36,329
Big Lottery Fund - PACT: 10140757	44,501	-	-	44,501	39,930
Big Lottery Fund - My Time: 0010091501	36,415	-	-	36,415	35,527
Big Lottery Fund - ROVTE: 10251551	91,187	-	-	91,187	90,883
Catherine Cookson Charitable Trust	-	-	-	-	22,500
SCCH - ROVTE	1,617	-	-	1,617	-
A Lacy Tate Trust	-	-	-	-	3,000
Various other	2,698	-	-	2,698	3,018
	825,824	40,433	-	866,257	892,660

* The grant from Thurrock Council (LoCase) has been used towards the purchase of energy efficient heating throughout the St Nicholas Centre.

4 Income from other trading activities

	Restricted Funds £	Unrestricted Funds £	Property Funds £	2018 Total £	2017 Total £
Project fees and rents	-	359,649	-	359,649	400,493
Other	5,501	13,526	-	19,027	1,354
	5,501	373,175	-	378,676	401,847

5 Income from investments

	Restricted Funds £	Unrestricted Funds £	Property Funds £	2018 Total £	2017 Total £
Interest - deposits	-	-	-	-	138
Dividends - equities	-	1,785	-	1,785	1,412
	-	1,785	-	1,785	1,550

The Fellowship of St Nicholas
Notes to the Accounts
for the year ended 31 March 2018
(Continued)

6 Analysis of expenditure on charitable activities

	Activities Under- taken Directly	Grant Funded Activities	Support Costs	Total
	£	£	£	£
Core	1,865	-	18,367	20,232
St Nicholas Centre	43,357	96,630	15,393	155,380
Greenway Nursery	96,355	47,255	32,211	175,821
Nursery	109,716	205,250	8,797	323,763
Little Common Nursery	30,656	62,106	3,125	95,887
Silverdale Nursery	6,121	115,856	23,846	145,823
Robsack Centre	76,859	12,280	16,571	105,710
Dragonflies	-	65,097	8,362	73,459
Millenium Fund	-	-	110	110
Chilcare fund	-	140	-	140
Reach/Community Learning	20,909	2,579	4,072	27,560
PACT	2,418	38,394	10,223	51,035
My Time	-	73,012	13,849	86,861
ROVIE	-	84,587	7,387	91,974
Nursery Improvement Fund	7,000	31,024	5,024	43,048
Property Fund	-	-	16,277	16,277
	<u>406,568</u>	<u>834,210</u>	<u>183,614</u>	<u>1,413,080</u>

7 Allocation of support costs

	Raising Funds	Childcare And Family Support	Other Activities	Total
	£	£	£	£
Governance	-	15,000	-	15,000
Finance	-	4,800	-	4,800
Human resources	-	69,891	-	69,891
Depreciation	-	6,067	15,740	21,807
Office costs	-	72,116	-	72,116
	<u>-</u>	<u>167,874</u>	<u>15,740</u>	<u>183,614</u>

8 Governance costs

	2018 £	2017 £
Support costs	<u>15,000</u>	<u>15,000</u>

9 Net income for the year

Net income is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	<u>21,807</u>	<u>50,933</u>
	<u>21,807</u>	<u>50,933</u>

10 Auditor's remuneration

	2018 £	2017 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>4,800</u>	<u>4,800</u>

The Fellowship of St Nicholas
Notes to the Accounts
for the year ended 31 March 2018
(Continued)

11 Staff costs and employee benefits

	2018 Number	2018 FTE	2017 Number	2017 FTE
Charitable Activities	77	54	82	46
Governance	3	3	3	3
	<u>80</u>	<u>57</u>	<u>85</u>	<u>49</u>

The total staff costs and employees benefit's was as follows:

	2018 £	2017 £
Wages and staff costs	914,741	926,363
Defined contribution pension costs	5,427	5,273
	<u>920,168</u>	<u>931,636</u>

As required by the Statement Of Recommended Practice the charity confirms that no employee earned £60,000 per annum or more (excluding employer pension costs) in the year.

12 Tangible fixed assets

	Freehold Property £	St Nick's Nursery & Training Centre £	Motor Vehicles £	Computers £	Fixtures & Fittings £	2018 Total £
Cost						
As at 1 April 2017	902,360	587,983	22,724	22,225	63,468	1,598,760
Additions during the year	-	-	-	-	-	-
As at 31 March 2018	<u>902,360</u>	<u>587,983</u>	<u>22,724</u>	<u>22,225</u>	<u>63,468</u>	<u>1,598,760</u>
Depreciation						
As at 1 April 2017	396,760	14,999	22,724	22,225	62,280	518,988
Charge for the year	11,740	9,671	-	-	396	21,807
As at 31 March 2018	<u>408,500</u>	<u>24,670</u>	<u>22,724</u>	<u>22,225</u>	<u>62,676</u>	<u>540,795</u>
Net book value						
As at 31 March 2018	<u>493,860</u>	<u>563,313</u>	<u>-</u>	<u>-</u>	<u>792</u>	<u>1,057,965</u>
As at 31 March 2017	<u>505,600</u>	<u>572,984</u>	<u>-</u>	<u>-</u>	<u>1,188</u>	<u>1,079,772</u>

The freehold property consists of:-

66 London Road, St Leonards on Sea -

which is mainly used for charitable purposes but also houses administrative offices.

St Leonards Childrens Centre is situated on the grounds of 66 London Road, St Leonards on Sea. The building and adjoining play area are also used for charitable purposes.

St Nick's Nursery & Training Centre

Nursery and training facility -

Consists of a nursery and an outdoor play area on the grounds of 66 London Road, St Leonards on Sea, which is used for charitable purposes.

Other property:-

Robsack Community Centre, St Leonards on Sea -

The charitable company also manages the Robsack Community Centre which is leased from Hastings Borough Council at no cost and is used for charitable purposes. No rent is charged by the council and a notional rent of £37,500 is charged to the SoFA. An equal amount is shown in income as a donation.

Other fixed assets:-

Motor vehicles are used solely for charitable purposes.

Computers and office equipment are used for charitable and administrative purposes.

13 Fixed asset investments

Measured at fair value through net income:

	Market Value £	Cost £
Quoted investment		
M&G Charifund units		
As at 1 April 2017	20,873	12,244
Additions	21,604	21,604
Revaluation during the year	(1,579)	-
	<u>40,898</u>	<u>33,848</u>

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2018 £	2017 £
Financial assets measured at fair value through net income	(1,579)	3,619

The Fellowship of St Nicholas

Notes to the Accounts
for the year ended 31 March 2018
(Continued)

14 Debtors								2018	2017
								£	£
Trade debtors:									
ESCC								4,310	10,483
BBC Children In Need								-	3,841
HBC/DWP								-	10,077
HBC - Wellbeing								27,978	-
Gift Aid								614	1,025
EFT								8,762	8,861
SCCH								-	1,848
Big Lottery Fund								3,772	-
Wooden Spoon								12,250	-
Thurrock Council (LoCase)								7,000	-
Other debtors								17,038	13,467
								<u>81,724</u>	<u>49,602</u>
15 Creditors: amounts falling due within one year								2018	2017
								£	£
Trade creditors								-	3,505
Accruals and deferred income								19,810	28,356
								<u>19,810</u>	<u>31,861</u>
16 Creditors: amounts falling due after more than one year								2018	2017
								£	£
Concessionary loan - John Cross								40,000	40,000
17 Fund reconciliation									
Unrestricted funds									
	Balance at	Income	Expenditure	Transfers	Gains/(losses)	Balance at			
	1 April 2017					31 March 2018			
	£	£	£	£	£	£			
General funds	50,000	462,401	505,830	45,008	(1,579)	50,000			
Property funds	982,652	-	16,277	(45,008)	-	921,367			
	<u>1,032,652</u>	<u>462,401</u>	<u>522,107</u>	<u>-</u>	<u>(1,579)</u>	<u>971,367</u>			
Restricted funds									
	Balance at	Income	Expenditure	Transfers	Gains/(losses)	Balance at			
	1 April 2017					31 March 2018			
	£	£	£	£	£	£			
Core	-	-	-	-	-	-			
St Nicholas Centre	-	53,706	46,967	-	-	6,739			
Greenway Nursery	7,600	100,654	96,355	369	-	12,268			
Nursery	7,600	219,170	213,797	470	-	13,443			
Little Common Nursery	-	65,732	65,131	307	-	908			
Silverdale Nursery	-	135,329	134,378	182	-	1,133			
Robsack Centre	2,700	20,666	23,366	-	-	-			
Dragonflies	27,500	74,303	73,459	-	-	28,344			
Millenium	13,955	-	110	-	-	13,845			
Childcare fund	673	-	140	-	-	533			
Reach/Community Learning	3,907	-	2,579	(1,328)	-	-			
PACT	874	47,743	48,617	-	-	-			
My Time	11,812	96,165	86,861	-	-	21,116			
Nursery Improvement Fund	213,869	7,000	12,024	-	-	208,845			
ROVTE	10,288	94,562	91,974	-	-	12,876			
	<u>300,778</u>	<u>915,030</u>	<u>895,758</u>	<u>-</u>	<u>-</u>	<u>320,050</u>			
18 Analysis of net assets between funds									
			General Fund	Designated Fund - Property	Restricted Funds	Total			
			£	£	£	£			
Fixed assets			41,690	837,455	219,718	1,098,863			
Cash and current investments			50,468	83,912	36,260	170,640			
Other current assets			(2,158)	-	64,072	61,914			
Creditors more than one year			(40,000)	-	-	(40,000)			
Total			<u>50,000</u>	<u>921,367</u>	<u>320,050</u>	<u>1,291,417</u>			

The Fellowship of St Nicholas

Notes to the Accounts
for the year ended 31 March 2018
(Continued)

19 Reconciliation of net income to net cash flow from operating activities

	2018	2017
	£	£
Net income for the year	(42,013)	83,249
Dividends received	(1,785)	(1,412)
Interest receivable	-	(138)
Depreciation and impairment of tangible fixed assets	21,807	50,933
(Gains)/losses on investments	1,579	(3,619)
(Increase)/decrease in debtors	(32,122)	(30,589)
Increase/(decrease) in creditors	(12,051)	(8,058)
	<u>(64,585)</u>	<u>90,366</u>

20 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £5,427 (2017 - £5,273).

The defined contribution liability is allocated appropriately to restricted funds, unrestricted funds and core activity.

21 Related party transactions

There are no related party transactions during the period (2016 - £nil).