

Beresford Street Kitchen Limited

Annual Report and Financial Statements

For the year ended 31 December 2019

Beresford Street Kitchen Limited

Report and financial statements for the year ended 31 December 2019

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Beresford Street Kitchen Limited

Business Information

Directors	J A Clyde-Smith P M Burton V J Cartwright E E C Christie G Ellmers P F Routier P J Watson R D Willcox
Company Secretary	H S Corporate Services Limited
Company number	118475
Registered office	17 Beresford Street St Helier Jersey JE2 4WN
Accountants	Holl, Cameron & Co Limited First Floor, Tower House Route Es Nouveaux First Tower St Helier Jersey JE2 4ZJ

Beresford Street Kitchen Limited

Directors' report

The directors of Beresford Street Kitchen Limited ("the company") present their report on the affairs of the company to the members together with the financial statements for the year ended 31 December 2019.

Principal activity

The principal activity of the company is to provide training and employment opportunities for people with disabilities in particular people with learning disabilities and autism.

Incorporation

The company was incorporated in Jersey, Channel Islands with company number 118475 and is registered at 17 Beresford Street, St Helier, Jersey, JE2 4WN.

Results and dividend

The results for the year are shown in the statement of comprehensive income on page 5. The directors do not recommend the payment of a dividend during the year ended 31 December 2019 (2018: Nil).

Directors

The directors who served during the year and subsequently are as shown below:

P M Burton	
V J Cartwright	
E E C Christie	
J A Clyde-Smith	
G Ellmers	
F P Lewis	(Resigned 9 March 2020)
P F Routier	
P J Watson	
R D Willcox	(Appointed 11 September 2019)

Company secretary

The company secretary throughout the year and subsequently was H S Corporate Services Limited.

Approved by the Board of Directors and signed on its behalf.



J A Clyde-Smith

Date: 23 September 2020

Beresford Street Kitchen Limited

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business for the foreseeable future.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Beresford Street Kitchen Limited

Accountant's report to the directors of Beresford Street Kitchen Limited on the unaudited financial statements

We report on the financial statements for the year ended 31 December 2019 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, the Cash flow statement and the accompanying notes 1 to 17.

Respective responsibilities of directors and reporting accountants

As described in the Statement of directors' responsibilities on page 3, the directors are responsible for the preparation of the annual financial statements.

In order to assist you to fulfil your statutory responsibilities, you have instructed us to review the financial statements based on the accounting records maintained by the company and the information and explanations supplied.

Basis of engagement

We have a professional duty to ensure the financial statements which conform with generally accepted accounting principles. Our work as the reviewer of the annual financial statements is not an audit of the financial statements in accordance with auditing standards. Consequently our work does not provide assurances which would be available if an audit of the financial statements had been carried out and accordingly no such assurance or opinion is given by us, whether implied or expressed.

Report

We report that, in accordance with your instructions and in order to assist you to fulfil your responsibilities, we have reviewed, without carrying out an audit, the financial statements from accounting records of the company and from the information and explanations supplied to us.


Holl, Cameron & Co Limited
Accountants

8 October 2020

Date:

Beresford Street Kitchen Limited

Statement of comprehensive income (incorporating an income and expenditure account) For the year ended 31 December 2019

	Notes	2019			2018		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies		196,389	-	196,389	215,527	-	215,527
Charitable activities	5	30,895	357,953	388,848	2,774	234,158	236,932
Commercial trading activities		319,902	-	319,902	256,317	-	256,317
Other income	6	24,000	-	24,000	49,000	-	49,000
Total income		571,186	357,953	929,139	523,618	234,158	757,776
Expenditure on:							
Charitable activities	7	-	6,810	6,810	-	2,255	2,255
Commercial trading operations	7	501,074	-	501,074	363,152	-	363,152
Support costs	7	252,197	108,085	360,282	256,237	109,816	366,053
Total expenditure		753,271	114,895	868,166	619,389	112,071	731,460
Net income for the year		(182,085)	243,058	60,973	(95,771)	122,087	26,316
Transfers between funds		339,362	(339,362)	-		(133,111)	(133,111)
Total comprehensive income for the year		157,277	(96,304)	60,973	(95,771)	(11,024)	(106,795)

All activities in the current year and preceding period are derived from continuing operations. There were no other recognised gains or losses other than those stated above.

The accompanying notes 1 to 17 are an integral part of these financial statements.

Beresford Street Kitchen Limited

Statement of financial position As at 31 December 2019


	Notes	2019 £	2018 £
Assets			
Non-current assets			
Tangible fixed assets	9	427,785	499,523
Total non-current assets		427,785	499,523
Current assets			
Trade and other receivables	10	23,803	10,689
Cash and bank balances		389,611	259,761
Total current assets		413,414	270,450
Total assets		841,199	769,973
Equity			
Share capital	11	6	6
Retained earnings - restricted		119,639	101,048
Retained earnings - unrestricted		675,565	633,183
Total equity		795,210	734,237
Current liabilities			
Trade and other payables	12	45,989	35,736
Total current liabilities		45,989	35,736
Total equity and liabilities		841,199	769,973

The accompanying notes 1 to 17 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 23 September 2020. They were signed on its behalf by:



J A Clyde-Smith
Director



V J Cartwright
Director

Beresford Street Kitchen Limited

Statement of changes in equity As at 31 December 2019

	Share capital £	Retained earnings £	Total equity £
Balance at 01 January 2018	6	707,915	707,921
Profit for the year	-	26,316	26,316
Total comprehensive income for the year	-	26,316	26,316
Balance at 31 December 2018	6	734,231	734,237
Profit for the year	-	60,973	60,973
Total comprehensive income for the year	-	60,973	60,973
Balance at 31 December 2019	6	795,204	795,210

The accompanying notes 1 to 17 are an integral part of these financial statements.

Beresford Street Kitchen Limited

Cash flow statement

For the year ended 31 December 2019

	Note	2019 £	2018 £
Profit from operating activities		60,973	26,316
Adjustments for:			
Depreciation of tangible assets		135,140	196,788
Operating cash flow before movements in working capital		196,113	223,104
Increase in trade and other receivables		(13,114)	4,651
Increase in trade and other payables		10,253	12,821
Net cash from operating activities		193,252	240,576
Cash flows from investing activities			
Interest received		-	-
Purchase of equipment		(63,402)	(10,976)
Net cash used in investing activities		(63,402)	(10,976)
Net increase in cash and bank balances		129,850	229,600
Cash and bank balances at beginning of year		259,761	30,161
Cash and bank balances at end of year		389,611	259,761

The accompanying notes 1 to 17 are an integral part of these financial statements.

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

1. General information

Beresford Street Kitchen Limited ("the company") is a limited liability company incorporated in Jersey, Channel Islands. The registered office is 17 Beresford Street, St Helier, Jersey, JE2 4WN.

2. Statement of compliance

The financial statements of the company have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and in accordance with Jersey Company Law 1991.

Using the guidelines for unaudited smaller charities, the financial statements of the company have also been prepared with reference, where practical, to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102).

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

3. Summary of significant accounting policies

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next twelve months from the date of approval of these financial statements. The directors have reviewed the financial projections and cash flow forecasts and these projections are partly subject to successful grant applications. If any of these were to fail the directors would pursue alternative sources of funding to avoid any negative impact on the going concern status of the company. The directors have also considered the strategic importance and future plans of the company as well as the existing cash reserves. Accordingly, the directors have adopted the going concern basis of preparation for the financial statements.

Income

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and other sales-related taxes.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

3 . Summary of significant accounting policies (continued)

Income (continued)

The company classifies income as follows:

Income from donations and legacies

All income received by the company that is, in substance, a gift made to it on a voluntary basis. Donations and legacies do not provide any significant benefit to the donor in return for their payment.

Donated assets which the company has not been able to reliably value are included at nil value. In the opinion of the directors these amounts are not considered material for financial reporting purposes and are therefore not shown.

Income from charitable activities

Includes income earned both fundraising events and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the company.

Income from commercial trading activities

Income earned from non-charitable trading activities, being the supply of goods or services under contractual arrangements.

Income from other trading activities

Income from fundraising events.

Fund accounting

Restricted funds are to be used for specific charitable purposes, as laid down by the donor, that represent a sub-set of the total charitable purposes of the company.

Unrestricted funds are donations, grants and other incoming resources received or generated for any of the charitable purposes of the company.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The company does not have any endowment funds and as such does not disclose this category.

Donations of gifts and services

Donated professional services and assets are recognised when the company has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised in the accounts.

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

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

3 . Summary of significant accounting policies (continued)

Expenditure

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

Costs of raising funds relate to the costs incurred by the charitable company in encouraging third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising or trading purpose.

Expenditure on charitable activities includes the costs of delivering courses and learning programmes, and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity and the governance of the company, comprising the salary and overhead costs of the central function is not allocated and is disclosed separately.

Foreign currencies

The financial statements of the company are presented in pounds sterling which is the currency of the primary economic environment in which it operates (its functional currency).

In preparing the financial statements of the company, transactions in currencies other than its functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in statement of comprehensive income in the period in which they arise.

Taxation

Current tax, including Jersey income tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

The company has been established for charitable purposes and as such is exempt from Jersey income tax.

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

3 . Summary of significant accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the reducing balance method, on the following bases:

Leasehold improvements	25% of the carrying amount per annum
Fixtures and equipment	25% of the carrying amount per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting the costs of disposal, if the assets were already of an age and in the condition expected at the end of its useful life.

Impairment of tangible assets

At each balance sheet date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of changes in equity ("SOCIE").

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the SOCIE.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value.

All financial assets, other than cash and cash equivalents and derivatives, are classified as 'loans and receivables'.

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

3 . Summary of significant accounting policies (continued)

Financial instruments (continued)

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Given the nature of the loans and receivables and their short length of time between the origination and the settlement, their amortised cost is the same as their fair value on the date of origination.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities are classified as either financial liabilities at Fair Value through Profit and loss 'FVTPL' or 'other financial liabilities'. The company does not hold any financial liabilities at FVTPL.

Other financial liabilities

Other financial liabilities, including borrowings and preference shares, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter year, to the net carrying amount on initial recognition. Given the nature of the other financial liabilities and their short length of time between the origination and the settlement, their amortised cost is the same as their fair value on the date of origination.

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

4. Critical accounting judgements and key sources of estimation uncertainty

There are no identified critical accounting judgements and key sources of estimation uncertainty.

5. Income from charitable activities	2019	2018
	£	£
Fundraising	30,895	26,450
Purchase of fixed assets	56,041	801
Support worker costs	301,912	209,681
Total income from charitable activities	388,848	236,932

6. Other income	2019	2018
	£	£
Sub-letting of premises	24,000	24,000
Tax rebate received	-	25,000
Total other income	24,000	49,000

7. Expenditure

	Charitable activities	Commercial trading operations	Support costs	Total
	£	£	£	£
a. Current year				
Staff costs	-	353,944	123,355	477,299
Cost of sales	-	147,130	-	147,130
Premises	-	-	58,227	58,227
Marketing	6,810	-	-	6,810
Technology	-	-	15,142	15,142
Professional fees	-	-	5,954	5,954
Insurance	-	-	9,676	9,676
Office costs	-	-	12,788	12,788
Depreciation	-	-	135,140	135,140
Total expenditure	6,810	501,074	360,282	868,166

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

7. Expenditure (continued)

b. Prior year

Staff costs	-	237,681	92,142	329,823
Cost of sales	-	125,471	-	125,471
Premises	-	-	56,686	56,686
Marketing	2,255	-	-	2,255
Technology	-	-	13,335	13,335
Professional fees	-	-	2,923	2,923
Insurance	-	-	(2,972)	(2,972)
Office costs	-	-	7,151	7,151
Depreciation	-	-	196,788	196,788
Total expenditure	2,255	363,152	366,053	731,460

8. Tax

The company has been established for charitable purposes and as such is exempt from Jersey income tax.

9. Tangible fixed assets

	Leasehold improvements	Fixtures and equipment	Total
	£	£	£
Cost			
At 1 January 2018	610,322	246,103	856,425
Additions	4,176	6,800	10,976
At 31 December 2018	614,498	252,903	867,401
Additions		63,402	63,402
At 31 December 2019	614,498	316,305	930,803
Accumulated depreciation			
At 1 January 2018	90,840	80,250	171,090
Charge for the year	153,625	43,163	196,788
At 31 December 2018	244,465	123,413	367,878
Charge for the year	92,508	42,632	135,140
At 31 December 2019	336,973	166,045	503,018
Carrying amount:			
At 31 December 2019	277,525	150,260	427,785
At 31 December 2018	370,033	129,490	499,523

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

10. Trade and other receivables	2019	2018
	£	£
Trade receivables	10,079	8,518
GST recoverable	13,724	2,171
Total trade and other receivables	23,803	10,689

11. Share capital	2019	2018
	£	£
Authorised		
10,000 (2018: 10,000) Ordinary shares of £ 1 each	10,000	10,000
Issued and fully paid		
6 (2018: 6) Ordinary shares of £ 1 each	6	6

There are no special rights or restrictions attached to the share capital. The holders of the ordinary shares are entitled to receive a dividend when it is declared by the directors.

12. Trade and other payables	2019	2018
	£	£
Trade creditors	29,090	35,736
Taxes and social security	16,899	-
Total trade and other payables	45,989	35,736

13. Operating lease arrangements

The company has a 21 year contract lease of 17 Beresford Street passed before the Royal Court on 23 October 2015 and no rent is charged for the use of the freehold premises occupied by the company.

14. Financial instruments	2019	2018
	£	£
The company has the following basic financial instruments:		
Financial assets		
Trade and other receivables	23,803	10,689
Cash and bank balances	389,611	259,761
Financial liabilities		
Trade and other payables	45,989	35,736

Beresford Street Kitchen Limited

Notes to the financial statements For the year ended 31 December 2019

15. Ultimate controlling party

The company is wholly owned by The Aspire Charitable Trust, a charitable trust registered in Jersey, Channel Islands.

In the opinion of the directors there is no ultimate controlling party since the criteria contained within the definition of "control" in FRS 102 section 33 are not considered to be satisfied by any one party.

16. Related party transactions

Key management

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel.

Other related party transactions

There were no disclosable material transactions during the year ended 31 December 2019.

17. Events after the end of the reporting period

On 11 March 2020 the World Health Organisation declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide.

The Government in Jersey announced a lock-down on 30 March 2020 which resulted in the closure of the Beresford Street Kitchen café and a significant reduction in corporate and event revenue. To a certain extent this lost revenue has been replaced by revenue from a newly introduced meal delivery service and cash flow for the company remains strong.

Whilst we cannot reasonably estimate the length or severity of this pandemic or the extent to which it may materially disrupt the financial position of the company, the directors remain confident that the company has adequate resources to continue trading and meeting its financial obligations.

