

**GIRAFFE TRADING COMMUNITY
INTEREST COMPANY**

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2020



GIRAFFE TRADING COMMUNITY INTEREST COMPANY

COMPANY INFORMATION

Directors	Ms Janice Laurie	
	Mr Ian McGrath	
	Ms Wilhelmina Young	
	Ms Angela Ferguson	(Appointed 29 January 2020)
	Mr Michael Hodgson	(Appointed 29 January 2020)
	Mr Lindsay Philp	(Appointed 29 January 2020)

Secretary	Mr Gareth Ruddock
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Company number	SC354022
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Registered office	51-53 South Street
	Perth
	United Kingdom
	PH2 8PD

Accountants	Johnston Carmichael LLP
	66 Tay Street
	Perth
	PH2 8RA

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

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GIRAFFE TRADING COMMUNITY INTEREST COMPANY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The principal activity of the company continued to be that of running the Giraffe Cafe and providing employment, work experience and volunteering opportunities to disadvantaged adults in the Perth and Kinross area.

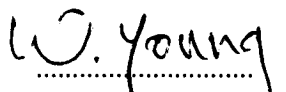
Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Lyall Dochard	(Resigned 11 December 2019)
Mr Derek Forgan	(Resigned 1 February 2020)
Ms Janice Laurie	
Ms Pamela Wilson	(Resigned 1 July 2020)
Mr Ian McGrath	
Ms Wilhelmina Young	
Mr Stuart Deed	(Appointed 1 January 2020 and resigned 1 November 2020)
Ms Angela Ferguson	(Appointed 29 January 2020)
Mr Michael Hodgson	(Appointed 29 January 2020)
Mr Lindsay Philp	(Appointed 29 January 2020)

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


.....
Ms Wilhelmina Young
Director

Date: 23/02/2021

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF GIRAFFE TRADING COMMUNITY INTEREST COMPANY

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Giraffe Trading Community Interest Company for the year ended 31 March 2020 set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS we are subject to its ethical and other professional requirements which are detailed at:

<https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-june-2020>.

This report is made solely to the Board of Directors of Giraffe Trading Community Interest Company, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken in accordance with the requirements of ICAS as detailed at:

<https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-june-2020>.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Giraffe Trading Community Interest Company and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Giraffe Trading Community Interest Company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Giraffe Trading Community Interest Company. You consider that Giraffe Trading Community Interest Company is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Giraffe Trading Community Interest Company. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Johnston Carmichael LLP

Johnston Carmichael LLP

Chartered Accountants

25 / 02 / 2021

66 Tay Street
Perth
PH2 8RA

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
Turnover	91,134	122,683
Cost of sales	(27,122)	(39,106)
	<hr/>	<hr/>
Gross surplus	64,012	83,577
Administrative expenses	(117,290)	(167,185)
Other operating income	46,427	64,443
	<hr/>	<hr/>
Operating deficit	(6,851)	(19,165)
Interest payable and similar expenses	-	(381)
	<hr/>	<hr/>
Deficit before taxation	(6,851)	(19,546)
Tax on deficit	-	666
	<hr/>	<hr/>
Deficit for the financial year	(6,851)	(18,880)
Retained earnings brought forward	8,944	27,824
	<hr/>	<hr/>
Retained earnings carried forward	2,093	8,944
	<hr/> <hr/>	<hr/> <hr/>

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		5,026		5,601
Current assets					
Stocks		778		600	
Debtors	4	3,416		11,945	
Cash at bank and in hand		5,304		4,095	
		<u>9,498</u>		<u>16,640</u>	
Creditors: amounts falling due within one year	5	<u>(12,431)</u>		<u>(13,297)</u>	
Net current (liabilities)/assets			(2,933)		3,343
Total assets less current liabilities			<u>2,093</u>		<u>8,944</u>
Reserves					
Income and expenditure account			<u>2,093</u>		<u>8,944</u>

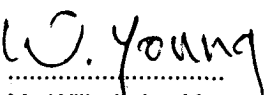
For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23/02/2021 and are signed on its behalf by:


.....
Ms Wilhelmina Young
Director

Company Registration No. SC354022

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Giraffe Trading Community Interest Company is a private company limited by guarantee incorporated in Scotland. The registered office is 51-53 South Street, Perth, United Kingdom, PH2 8PD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable, net of value added tax, for the sale of goods and services to customers. Income is recognised at the point of sale.

Sundry income including donations and fundraising income is recognised when the company becomes entitled to the income, receipt is probable and the amount can be measured with sufficient reliability. If entitlement is not met then these amounts are deferred.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.4 Impairment of fixed assets

At each reporting period end 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 in order to determine the extent of the impairment loss (if any).

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2019 - 11).

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2019	82,515
Additions	1,610
	<hr/>
At 31 March 2020	84,125
	<hr/>
Depreciation and impairment	
At 1 April 2019	76,914
Depreciation charged in the year	2,185
	<hr/>
At 31 March 2020	79,099
	<hr/>
Carrying amount	
At 31 March 2020	5,026
	<hr/>
At 31 March 2019	5,601
	<hr/>

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,045	6,821
Corporation tax recoverable	666	-
Amounts owed by group undertakings	-	3,036
Other debtors	1,705	2,088
	<hr/>	<hr/>
	3,416	11,945
	<hr/>	<hr/>

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,191	3,070
Amounts owed to group undertakings	3,644	-
Corporation tax	-	6
Other taxation and social security	5,242	7,168
Other creditors	2,354	3,053
	<hr/>	<hr/>
	12,431	13,297
	<hr/>	<hr/>

Included within other creditors are hire purchase obligations of £135 (2019 - £nil). Obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Between two and five years	68,250	87,750
In over five years	7,417	8,417
	<u>75,667</u>	<u>96,167</u>

8 Related party transactions

Giraffe Trading Community Interest Company is wholly owned subsidiary of Checkin Works, a charitable company, company number SC380888 and charity number SC041642.

An inter-company account is maintained with Checkin Works to deal with transactions between the two companies. At the balance sheet date, included within other creditors is an amount of £3,644 due to Checkin Works (2019 - amount due by Checkin Works - £3,036).

GIRAFFE TRADING COMMUNITY INTEREST COMPANY
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

		2020		2019
	£	£	£	£
Turnover				
Sales - South Street		57,958		79,539
Sales - Mill Street		7,773		21,212
Sales - Outside catering		25,403		21,932
		<u>91,134</u>		<u>122,683</u>
Cost of sales				
Opening stock of raw materials	600		1,807	
Raw materials purchases	18,688		28,175	
Direct costs	8,612		9,724	
Closing stock of raw materials	(778)		(600)	
		<u>(27,122)</u>		<u>(39,106)</u>
Gross surplus	70.24%	64,012	68.12%	83,577
Other operating income				
Government grants receivable and released	7,072		15,336	
Sundry income	39,355		49,107	
		<u>46,427</u>		<u>64,443</u>
Administrative expenses		(117,290)		(167,185)
Operating deficit		<u>(6,851)</u>		<u>(19,165)</u>
Interest payable and similar expenses				
Interest payable - not financial liabilities		-		(381)
Deficit before taxation	7.52%	<u>(6,851)</u>	15.93%	<u>(19,546)</u>

GIRAFFE TRADING COMMUNITY INTEREST COMPANY

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Administrative expenses		
Wages and salaries	63,061	91,284
Social security costs	1,662	2,714
Staff training	200	780
Staff pension costs defined contribution	398	265
Rent re operating leases	19,777	19,921
Rates	3,916	2,937
Cleaning	397	1,774
Power, light and heat	6,293	8,692
Property repairs and maintenance	2,305	-
Premises insurance	3,124	3,816
Equipment repairs	902	2,658
Computer running costs	579	481
Hire of equipment (not operating lease)	-	634
Motor running expenses	57	957
Travelling expenses	632	990
Professional subscriptions	755	219
Legal and professional fees	498	9,316
Accountancy	2,100	1,240
Bank charges	427	758
Credit card charges	634	981
Bad and doubtful debts	863	-
Printing and stationery	164	224
Advertising	915	71
Telecommunications	1,266	1,718
Fundraising events costs	3,593	11,939
Sundry expenses	587	661
Depreciation	2,185	2,155
	<hr/>	<hr/>
	117,290	167,185
	<hr/>	<hr/>

CIC 34

Community Interest Company Report

For official use
(Please leave blank)

Please
complete in
typescript, or
in bold black
capitals.

Company Name in
full

GIRAFFE TRADING CIC

Company Number

SC354022

Year Ending

31/3/20

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Our work supports the most socially and economically alienated local people make an often fragile journey towards being included within our local community. Our aim is to help people with severe and complex barriers, such as learning disabilities, autism and mental ill health, to make the transition into meaningful work. We achieve this by providing relevant supported work experience, vocational skills and personal development. Crucially, we focus on often overlooked aspects, such as confidence building, which enable our clients to move their careers and lives forward and being an active and included part in our local communities.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

We conduct ongoing consultation with our clients and out of the 101 trainees supported in the last year:-

- ☐ **14 ASN (additional support needs) school pupils participated in an extended work placement**
- ☐ **98% of trainees felt more confident**
- ☐ **60% of trainees reviewed reported “improved personal responsibility for employment choices”**
- ☐ **92% of trainees stated that their “work related health and wellbeing” has significantly improved**
- ☐ **95% reported improved “social inclusion”**
- ☐ **14 clients began paid work with external employers**
- ☐ **4 paid positions within CheckIn/Giraffe (of these, 3 had their first ever paid employment).**

(If applicable, please just state “A social audit report covering these points is attached”).

PART 3 – DIRECTORS’ REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, “There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director’s loss of office, which require to be disclosed” (See example with full notes). If no remuneration was received you must state that “no remuneration was received” below.

No remuneration was received

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.


No transfer of assets other than for full consideration has been made

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed



Date

20/2/21

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Tel	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

(N.B. Please enclose a cheque for £15 payable to Companies House)