

Charity Registration No. 1157932

Company Registration No. 08576383 (England and Wales)

ELEMENT SOCIETY

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR



ELEMENT SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I A Balshaw Mr J G W Rigby Mr J J Parkinson Mr H M Adamson Mr A Wood	(Appointed 1 January 2016) (Appointed 26 January 2017) (Appointed 26 January 2017)
Secretary	Mr C Hill	
Charity number	1157932	
Company number	08576383	
Registered office	113 Arundel Street Sheffield S1 2NT	
Independent examiner	Knowles Warwick Limited 183 Fraser Road Sheffield S8 0JP	
Bankers	NatWest 42 High Street Sheffield S1 2GE	

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ELEMENT SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's articles of association, the Companies Act 2006 and "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)"

Objectives and activities

Element Society believes in people and their ability to do unbelievable things. We work within ethical guidelines on projects that will change the world, but we aim to do this differently.

Our methods are to disrupt current thinking, pool expertise from all disciplines and draw from a wealth of cross-sector experience to have a genuine positive impact on the world. This means bringing enterprise thinking to all our work. We achieve our targets, provide quality client service and always push forward to pioneer new ground. There is no standing still for us, no resting on our laurels, no taking our position as deserved instead of achieved.

Our projects are carefully selected based on a belief and understanding that they can make an achievable difference. We are undeterred by working in different sectors and know that with the right tools we can achieve success for any project that we truly believe in.

Element Society's objective is the advancement in life of young people by providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

The trustees can confirm that to the best of their knowledge and capacity, they have complied with their duty to provide identifiable and tangible benefits for the public as a result of the charities programme of work. The trustees have referred to guidance from the Charity Commission when reviewing aims and objectives and in planning future activities.

The Charity has achieved tangible public benefits in the furtherance of its objectives with over 400 young people (aged 16 – 24) taking part or supporting our main programmes of delivery. Participants were drawn from within South Yorkshire.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

ELEMENT SOCIETY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance

National Citizen Service (NCS)

Element Society is currently a sub-contracted local delivery partner of English Football League Trust (EFLT) in the YH1 region of National Citizen Service (NCS). We have responsibility for delivering the numbers of NCS participants allocated by EFLT, which was 330 in 2016 and we over-delivered by 80 places. We were previously sub-contracted to Groundwork South Yorkshire and signed the new contract with EFLT 26 May 2017.

Phase	Description
1 – Marketing, Recruitment & Engagement	During this phase our role is to market the NCS programme and sign up young people and keep them engaged prior to the first residential week. Element Society keeps in regular contact to ensure that they turn up to phase two.
2 – Away Residential	We then take cohorts (teams of 15) on a full time residential week that is at least one hour's travel from the young persons home community. The focus of this phase is on teamwork and challenge (predominantly physical) that pushes the young people out of their comfort zones, thereby facilitating personal and social development and the development of team and leadership skills. We provide the staff that supervise the trip and the team leaders and assistants that will remain with the team through the duration of the programme. The individual residential centres provide the expert supervision for the activities held during the week.
3 – Home Residential	<p>The following week is a full time residential week based within one hour's travel of young persons places of residence. This phase focuses on developing new skills and gaining an increased understanding of their local community. The core elements consist of:</p> <ul style="list-style-type: none"> • Developing skills in various areas, • Building networks to gain an understanding of local organisations and residents, • Personal and social development through guided reflection activities. <p>Our approach has been to use University Halls of Residence as the residential location as part of a life skills element to the programme. We bring in additional specialised tutors to deliver sessions throughout the week (for example Self Defence or Presentation Skills) along with bringing local community group or charity representatives in to give a talk and run a session about what they do. Additional session work is delivered by our own staff through guided reflection or NCS provided modules and we aim to get a local MP to attend a session to discuss voting and host a political Q&A session. In the summer we will have David Blunkett attending one of our sessions.</p>
4 – Social Action Planning	<p>The next phase of delivery is 30 hours of activity over 4 or 5 consecutive days with the young people residing at home. During this phase the teams will design a Social Action Project in consultation with the intended beneficiaries. The project must seek to:</p> <ul style="list-style-type: none"> • Support the core aims of NCS (a more engaged, responsible and cohesive society), • Involve people from the community and deliver a tangible benefit, and • Create opportunities for social and/or intergenerational mixing. <p>Element Society hosts the teams at its offices in Sheffield along with utilising space through a new partnership with Sheffield Hallam University for this phase and provides additional community/project mentoring along with the support provided by the team leaders and assistants. During this phase a Dragon's Den is held where each team has to pitch its social action project to a team of Dragons (local VCFS/ business people) who will provide advice and guidance about the idea and have the ability to approve a mini-grant to enable the team to cover the costs of delivering the project.</p>

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2016

5 – Social Action Project Delivery	A further 30 hour's of activity to deliver the Social Action Project that was development and planned out in the previous phase. The teams are expected and encouraged to be as independent as possible for this stage so the support we provide is relatively light touch to allow the teams to take centre stage with the people/communities that they are supporting with their project.
Graduation Event	The programme culminates in a large celebration and graduation event for participants and their guests. It is aimed at celebrating a young persons rite of passage along with highlighting the outcomes of their Social Action Projects and any other achievements. Element Society arranges the whole event and runs it on the day to ensure that all the young people enjoy the experience and can share it with their friends and family

In addition to the main programme we have developed a scheme where we continue working with NCS participants after they have graduated from the programme. We have been able to offer a number of roles for interested participants to do the following:

- Volunteer on NCS recruitment activities
- Be an Assistant to a team during a future delivery period
- Involved in arranging "Keep in Touch" Events
- Planning and supporting the delivery of the Graduation
- Paid office work supporting the programme
- Paid Referral scheme
- Work Experience schemes
- Volunteer opportunities with our partner organisations
- Continued Social Action

In 2016, we achieved the following outputs:

- 410 young people actively participated on our schemes
- 48 young people actively supported the delivery of our programmes on a voluntary basis
- Through our social action projects we achieved a over 3,000 volunteer days
- 40 young people have progressed from our programmes into working or volunteering for Element Society
- Graduates who have completed over 700 additional voluntary hours
- 18 individual social action projects have been delivered within the NCS programme and to date 6 continue to be delivered for upto 18 months after their programme finished
- We have developed a new Youth Board
- A Member of our Youth Board sits on the Regional and National Youth Board for NCS

Financial review

Element Society is determined not to become reliant on grant funding in order to sustain its operations. Whilst this also presents its own challenges in terms of securing funding, sound financial planning, high quality management information and good knowledge of external drivers help to increase the likelihood that financial risks will be anticipated well in advance of a crisis point.

The financial result of the charity for the year ended 31 December 2016 was a trading surplus of £25,455 (2015 - £35,633) on total income of £326,637 (2016 - £258,157).

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2016

As a not-for-profit organisation the charity actively seeks to maximise its annual expenditure on youth based projects. As a matter of policy, therefore, only modest surpluses are planned for each year. At Element Society working capital is not only needed for future investment but also to fund delays in receipt of income and to absorb any short-term setbacks.

The policy of the charity is to set a target of 3 months of working capital for free reserves. Working capital has been seen as synonymous with free reserves as these are the resources the charity has or can make available to spend for any or all of the charity's purposes once it has met its commitments and covered its other planned expenditure. This excludes restricted reserves and any reserves that can only be realised by disposing of fixed assets held for charity use. In the financial statements this is equal to the unrestricted net current assets.

As at 31 December 2016, 3 months' working capital equated to £30,500 whilst unrestricted reserves stood at £64,488 (2015: £39,033).

Element Society's reserves policy is informed by:

- Its forecasts for levels of income in future years and the reliability of each source.
- Its forecasts for expenditure in future years on the basis of planned activity.
- The analysis of any future needs, opportunities, contingencies or risks and the likelihood and impact of each.

The main need for reserves at present is to fund the delay in the receipt of income with a small cushion to absorb short-term setbacks.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is governed by its articles of association.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr I A Balshaw	
Ms M Bougara	(Resigned 5 May 2017)
Mr B Duong	(Resigned 5 May 2017)
Mr J G W Rigby	
Let There Be Light Productions Limited	(Resigned 6 January 2017)
Mr J J Parkinson	(Appointed 1 January 2016)
Mr H M Adamson	(Appointed 26 January 2017)
Mr A Wood	(Appointed 26 January 2017)

ELEMENT SOCIETY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2016

The directors of the company are its trustees for the purposes of charity law and are appointed by the company's members. There is a minimum of 3 directors at any one time.

The board shall admit to membership such persons as it shall think fit and the Board may from time to time, by resolution, prescribe (and vary) criteria for membership. Nominations of directors shall be for a fixed or indeterminate period provided however that no such fixed period shall exceed three years and any indeterminate appointment shall automatically lapse at the end of the three years but so that the nominated Board director shall be eligible for re-nomination.

New trustees attend a series of meetings with the executive team and attend their initial board meeting as an observer as part of their induction to the work of the charity. Formal governance training is delivered internally using charity commission guidance, though we are continually reviewing how to enhance this process.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The day-to-day management of the charity is provided by Element Society whereby Christopher Hill fulfils the role of Chief Executive. The senior management team supports the Board of Trustees through its delegated powers.

Employee involvement

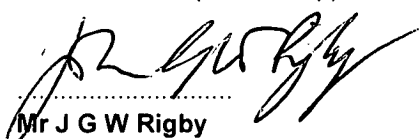
Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Disabled persons

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

The trustees' report was approved by the Board of Trustees.



Mr J G W Rigby

Trustee

Dated: 23/10/17

ELEMENT SOCIETY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ELEMENT SOCIETY

I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 7 to 19.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Element Society for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of ICAEW.

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

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

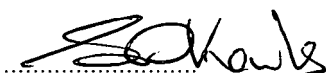
Basis of independent examiner's report

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

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



S D Knowles FCA
Independent Examiner, for and on behalf of Knowles Warwick Limited
Chartered Accountants
183 Fraser Road
Sheffield
S8 0JP

Dated: 25/10/19

ELEMENT SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Income from:</u>					
Donations and legacies	3	740	530	1,270	2,898
Charitable activities	4	299,074	14,863	313,937	254,009
Other trading activities	5	11,421	-	11,421	1,250
Investments	6	9	-	9	-
Total income		311,244	15,393	326,637	258,157
<u>Expenditure on:</u>					
Raising funds		5,000	-	5,000	1,250
Charitable activities	7	280,789	14,863	295,652	219,833
Other	11	-	530	530	1,441
Total resources expended		285,789	15,393	301,182	222,524
Net income for the year/ Net movement in funds		25,455	-	25,455	35,633
Fund balances at 1 January 2016		39,033	-	39,033	3,400
Fund balances at 31 December 2016		64,488	-	64,488	39,033

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12		4,607		6,594
Current assets					
Debtors	14	50,684		39,484	
Cash at bank and in hand		44,236		33,427	
		<u>94,920</u>		<u>72,911</u>	
Creditors: amounts falling due within one year	15	<u>(35,039)</u>		<u>(40,472)</u>	
Net current assets			<u>59,881</u>		<u>32,439</u>
Total assets less current liabilities			<u><u>64,488</u></u>		<u><u>39,033</u></u>
Income funds					
Unrestricted funds			<u>64,488</u>		<u>39,033</u>
			<u><u>64,488</u></u>		<u><u>39,033</u></u>


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2016. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on

25/10/17


Mr J G W Rigby
Trustee

Company Registration No. 08576383

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

Element Society is a private company limited by guarantee incorporated in England and Wales. The registered office is 113 Arundel Street, Sheffield, S1 2NT.

1.1 Accounting convention

The accounts have been prepared in accordance with the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Prior period error

Prior period errors are corrected through the comparatives in the current year's accounts. These are arising due to a lack of comprehensive records in the previous year, leading to an understatement of sales and debtors at the year end and a lack of provision for holiday pay. Corporation Tax computations are not amended due to the company's charitable status meaning that no Corporation Tax is due.

1.3 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.5 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover 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, VAT and other sales related taxes.

1.6 Resources expended

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

All expenditure is accounted for on an accruals basis, including irrecoverable VAT, and has been listed under headings that aggregate all the costs related to that activity.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of the time spent.

Governance costs are those in connection with the management of the charity, organisational administration and compliance with the constitutional and statutory requirements.

Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

1.7 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:

Fixtures, fittings & equipment	20% straight line
Computers	33.3% straight line

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 recognised in net income/(expenditure) for the year.

1.8 Impairment of fixed assets

At each reporting end date, the charity 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
Donations and gifts	740	-	740	1,457
Non-government grants	-	530	530	9,999
Less: deferred income	-	-	-	(8,558)
	<u>740</u>	<u>530</u>	<u>1,270</u>	<u>2,898</u>
For the year ended 31 December 2015	<u>-</u>	<u>2,898</u>		<u>2,898</u>

During the previous year the charity received £9,999 from the National Lottery for the purposes of refurbishment of the Studio. Of this income £8,028 (2015 - £8,558) has been deferred to next year when the remaining costs of refurbishment will be incurred.

4 Charitable activities

	National Citizens Service (NCS)	Talent Match	Enterprising Communities	Cinema	Total 2016	Total 2015
	£	£	£	£	£	£
Services provided under contract	299,074	-	-	-	299,074	227,337
Performance related grants	6,788	-	6,825	1,250	14,863	23,647
Less: deferred income	-	-	-	-	-	3,025
	<u>305,862</u>	<u>-</u>	<u>6,825</u>	<u>1,250</u>	<u>313,937</u>	<u>254,009</u>
Analysis by fund						
Unrestricted funds	299,074	-	-	-	299,074	
Restricted funds	6,788	-	6,825	1,250	14,863	
	<u>305,862</u>	<u>-</u>	<u>6,825</u>	<u>1,250</u>	<u>313,937</u>	
For the year ended 31 December 2015						
Unrestricted funds	207,278	27,163	-	-		234,441
Restricted funds	15,644	-	3,174	750		19,568
	<u>222,922</u>	<u>27,163</u>	<u>3,174</u>	<u>750</u>		<u>254,009</u>

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

5 Other trading activities

	2016	2015
	£	£
Letting and licensing arrangements	6,421	1,250
Trading activity income: other	5,000	-
	<u>11,421</u>	<u>1,250</u>

6 Investments

	2016	2015
	£	£
Interest receivable	9	-
	<u>9</u>	<u>-</u>

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Charitable activities

	National Citizens Service (NCS)	Talent Match	Enterprising Communitie s	Cinema	Total 2016	Total 2015
	£	£	£	£	£	£
Staff costs	64,815	-	-	-	64,815	64,245
Direct costs	90,265	-	6,825	1,250	98,340	76,854
	<u>155,080</u>	<u>-</u>	<u>6,825</u>	<u>1,250</u>	<u>163,155</u>	<u>141,099</u>
Share of support costs (see note 8)	129,617	-	-	-	129,617	39,782
Share of governance costs (see note 8)	2,880	-	-	-	2,880	38,952
	<u>287,577</u>	<u>-</u>	<u>6,825</u>	<u>1,250</u>	<u>295,652</u>	<u>219,833</u>
Analysis by fund						
Unrestricted funds	280,789	-	-	-	280,789	
Restricted funds	6,788	-	6,825	1,250	14,863	
	<u>287,577</u>	<u>-</u>	<u>6,825</u>	<u>1,250</u>	<u>295,652</u>	
For the year ended 31 December 2015						
Unrestricted funds	171,645	27,163	-	-		198,808
Restricted funds	17,101	-	3,174	750		21,025
	<u>188,746</u>	<u>27,163</u>	<u>3,174</u>	<u>750</u>		<u>219,833</u>

Support costs have been allocated to activities on a basis consistent with the use of the resources.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

8 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Staff costs	92,261	-	92,261	-	Costs incurred
Staff	2,388	350	2,738	9,230	Costs incurred
Travel & Transport	220	-	220	285	Costs incurred
Accommodation	20,522	-	20,522	20,465	Costs incurred
Administration	6,384	-	6,384	3,523	Costs incurred
Communications & IT	5,908	-	5,908	1,738	Costs incurred
Training	40	-	40	-	Costs incurred
Bank charges	415	-	415	78	Costs incurred
Professional fees	4,036	-	4,036	39,716	Costs incurred
Depreciation	1,986	-	1,986	1,654	Costs incurred
Marketing & publicity	457	-	457	343	Costs incurred
Accountancy	-	2,530	2,530	2,952	Governance
	<u>134,617</u>	<u>2,880</u>	<u>137,497</u>	<u>79,984</u>	
Analysed between					
Trading	5,000	-	5,000	1,250	
Charitable activities	129,617	2,880	132,497	78,734	
	<u>134,617</u>	<u>2,880</u>	<u>137,497</u>	<u>79,984</u>	

Support costs have been allocated to activities on a basis consistent with the use of the resources.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits directly from the charity during the year.

During the year, Element Enterprises Limited, a company controlled by C Hill invoiced the charity £nil (2015 - £36,000) in respect of governance costs. A further £nil (2015 - £17,119) was paid to Element Enterprises Limited in respect of running cost recharges and fees for the services of N Hodgson and C Hill. During the year, Element Enterprises Limited paid £1,801 (2015 - £nil) to Element Society to hold on it's behalf.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

10 Employees

Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Direct charitable	5	7

Employment costs

	2016 £	2015 £
Wages and salaries	152,267	63,445
Social security costs	2,542	800
Other pension costs	2,267	-
	<u>157,076</u>	<u>64,245</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Other

	2016 £	2015 £
Other expenditure	530	1,441
	<u>530</u>	<u>1,441</u>

In the year the charity spent £530 (2015 - £1,441) renovating the company premises in line with the grant received for that purpose.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

12 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 January 2016	8,211	1,031	9,242
At 31 December 2016	<u>8,211</u>	<u>1,031</u>	<u>9,242</u>
Depreciation and impairment			
At 1 January 2016	2,563	86	2,649
Depreciation charged in the year	-	1,986	1,986
At 31 December 2016	<u>2,563</u>	<u>2,072</u>	<u>4,635</u>
Carrying amount			
At 31 December 2016	<u>5,648</u>	<u>(1,041)</u>	<u>4,607</u>
At 31 December 2015	<u>5,649</u>	<u>945</u>	<u>6,594</u>

13 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	50,684	25,939
Carrying amount of financial liabilities		
Measured at amortised cost	21,154	20,006

14 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	50,684	25,284
Other debtors	-	655
Prepayments and accrued income	-	13,545
	<u>50,684</u>	<u>39,484</u>

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

15 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Other taxation and social security		5,856	3,997
Deferred income	16	8,029	16,469
Trade creditors		12,326	15,208
Other creditors		1,170	-
Accruals and deferred income		7,658	4,798
		<u>35,039</u>	<u>40,472</u>

16 Deferred income

	2016 £	2015 £
Other deferred income	<u>8,029</u>	<u>16,469</u>

Deferred income is included in the financial statements as follows:

	2016 £	2015 £
	<u>8,029</u>	<u>16,469</u>

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2016 £	2015 £
Aggregate compensation	<u>25,660</u>	<u>16,335</u>

As noted above, the charity incurred costs totalling £nil (2015 - £53,119) from Element Enterprises Limited, a company under the control of C Hill, the company secretary. At the year end £1,146 was owed to Element Enterprises Limited (2015 - £nil) as a result of money being held on its behalf.

The charity owed £10 in expenses to the trustee, J Parkinson, and £899 in expenses to C Hill at the year end.

ELEMENT SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

18 Prior period adjustment

Changes to the balance sheet

	At 31 December 2015		
	As previously reported	Adjustment	As restated
	£	£	£
Current assets			
Debtors due within one year	(i) 23,048	16,436	39,484
Creditors due within one year			
Other creditors	(ii) (18,160)	(1,846)	(20,006)
	<u>24,443</u>	<u>14,590</u>	<u>39,033</u>
Net assets	<u>24,443</u>	<u>14,590</u>	<u>39,033</u>
Capital funds			
Income funds			
Unrestricted funds	24,443	14,590	39,033
	<u>24,443</u>	<u>14,590</u>	<u>39,033</u>
Total equity	<u>24,443</u>	<u>14,590</u>	<u>39,033</u>

Changes to the profit and loss account

	Period ended 31 December 2015		
	As previously reported	Adjustment	As restated
	£	£	£
Income from:			
Charitable activities	(i) 237,573	16,436	254,009
	<u>241,721</u>	<u>16,436</u>	<u>258,157</u>
Expenditure on:			
Charitable activities	(ii) 217,987	1,846	219,833
	<u>(220,678)</u>	<u>(1,846)</u>	<u>(222,524)</u>
Net movement in funds	<u>21,043</u>	<u>14,590</u>	<u>35,633</u>

(i) Correction of sales and closing debtor figure previously understated

(ii) Holiday pay accrual