



SOVINI CHARITIES LIMITED

Report and Financial Statements

Year ended 31 March 2022

Co-operative and Community Benefit Society
(FCA) number: RS007434

Sovini Charities Limited

Report and Financial Statements for the year ended 31 March 2022

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Sovini Charities Limited

Executives and Advisors for the year ended 31 March 2022

Directors

Roy Williams	director
Tracey Liggett	director
Ian Fazakerley	director
Gill Ditchburn	independent
Bernard Blackmoor	independent
Steve Gow	independent
Jim Brett	independent

Company secretary and registered office

Marcus Evans
Sovini Charities Limited
The Sovini Group
Unit 1
Heysham Road
Liverpool
L30 6UR

Co-operative and Community Benefit Society (FCA) number - RS007434

Auditors

BDO LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

Principal solicitors

Weightmans LLP
100 Old Hall St
Liverpool
L3 9QJ

Bankers

Royal Bank Of Scotland
Merseyside Cheshire & North Wales, Corporate Banking
1 Dale Street
Liverpool
L2 2PP

Sovini Charities Limited

Directors' Report for the year ended 31 March 2022

Directors

The directors of the company throughout the period were:

Roy Williams	director
Tracey Liggett	director
Ian Fazakerley	director
Gill Ditchburn	independent
Bernard Blackmoor	independent
Steve Gow	independent
Jim Brett	independent

Results

Sovini Charities Limited is a holding company for Pride of Sefton. It is also a subsidiary of Sovini Limited, the ultimate parent undertaking. The principal activity of the company is the provision of charitable services to the wider community.

The deficit for the period, prior to taxation, amounted to £3,217 (2021: £23,254 deficit).

Qualifying third party indemnity provisions

The company has put in place qualifying third party indemnity provisions for all of the directors of Sovini Charities Limited.

Auditors

All of the directors' as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors' are not aware of any relevant audit information of which, the company's auditor's are not aware of.

Political donations

During the period, the company made no political donations (2021: £nil).

Financial instruments

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. There is currently minimal trading activity and therefore, we are satisfied that the company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. There is currently minimal trading activity and therefore, we are satisfied that the company is not exposed to significant liquidity risk due to the available cash balance.

Cash flow interest rate risk

The company is not currently exposed to cash flow interest rate risk from borrowings at variable rate.

Likely future developments in the business of the company

There are no future plans for the development of trading activities within Sovini Charities Limited beyond the small levels of charitable donations currently received and distributed. Sovini Charities Limited remains focussed on its role as a holding company for Pride of Sefton and potential acquisition of charities within the Sovini group.

Sovini Charities Limited

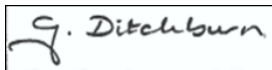
Directors' Report for the year ended 31 March 2022 (continued)

Going Concern

There are no future plans for the development of trading activities within Sovini Charities Limited beyond the small levels of charitable donations currently received and distributed. Sovini Charities Limited remains focussed on its role as a holding company for Pride of Sefton and potential acquisition of charities within the Sovini group, as such the fixed operating costs are minimal (c.£3k per annum), all other costs incurred are only as a direct result of revenue generated whereby the revenue always precedes the expense. The directors have considered the current cash reserves of £8.5k and net current asset position of £5.5k are satisfied that these are more than sufficient to maintain these low-level operating costs whilst ensuring that Sovini Charities Limited remains a going concern.

Approval

This Directors' Report was approved by the board of directors on 25 August 2022.



Gill Ditchburn (chair of the board)
25 August 2022



Tracey Liggett (company director)
25 August 2022



Marcus Evans (company secretary)
25 August 2022

Sovini Charities Limited

Statement of Board Members' Responsibilities for the year ended 31 March 2022

Board members' responsibilities

The board members are responsible for preparing the report of the board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the board members to prepare financial statements for each financial year. Under that law the board members have elected to prepare the society financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board members are required to:

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

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the society's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the society's website is the responsibility of the board members. The board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Sovini Charities Limited

Independent Auditor's Report to the Members of Sovini Charities Limited for the year ended 31 March 2022

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2022 and of the Society's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

We have audited the financial statements of Sovini Charities Limited ("the Society") for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board members with respect to going concern are described in the relevant sections of this report.

Other information

The board are responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information. We do not express any form of assurance conclusion thereon. Our responsibility is to read the other information including Directors' Report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Sovini Charities Limited

Independent Auditor's Report to the Members of Sovini Charities Limited for the year ended 31 March 2022 (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative and Community Benefit Societies Act 2014 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements; or
- adequate accounting records have not been kept by the Society; or
- a satisfactory system of control has not been maintained over transactions; or
- the Society's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the statement of board members responsibilities statement set out on page 6, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the reporting framework (FRS 102 and the Co-operative and Community Benefit Societies Act 2014), and we considered the extent to which non-compliance might have a direct impact and material effect on the Company Financial Statements or their continued operation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Sovini Charities Limited

Independent Auditor's Report to the Members of Sovini Charities Limited for the year ended 31 March 2022 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

The audit procedures to address the risks identified included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements in particular in relation to the impairment of fixed asset investments;
- Identifying and testing journal entries, in particular any unusual account postings, any journal entries posted with specific key words and any journals posted by directors;
- Discussions with management and Directors, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of minutes of Board meetings throughout the period; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the Society, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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BDO LLP
Statutory Auditor
Liverpool, UK
Date: 26 August 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Sovini Charities Limited

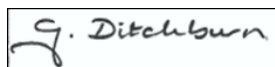
Statement of Comprehensive Income for the year ended 31 March 2022

	Note	2022 £	2021 £
Administrative expenses			
Recurring		(7,205)	(19,700)
Impairment of investment in subsidiary	5	(5,261)	(12,821)
Total administrative expenses		(12,466)	(32,521)
Other operating income		9,248	9,261
Operating deficit	3	(3,218)	(23,260)
Other interest receivable and similar income		1	6
Deficit on ordinary activities before taxation		(3,217)	(23,254)
Taxation on deficit on ordinary activities	4	-	-
Deficit for the financial year		(3,217)	(23,254)
Total movement in reserves		(3,217)	(23,254)

All operations are continuing.

The notes on pages 13 to 16 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 25 August 2022.



Gill Ditchburn (chair of the board)
25 August 2022



Tracey Liggett (company director)
25 August 2022



Marcus Evans (company secretary)
25 August 2022

Sovini Charities Limited

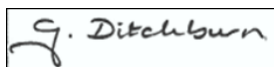
Statement of Financial Position as at 31 March 2022

Company number: RS007434

	Note	2022 £	2021 £
Fixed assets			
Investments	5	77,839	83,100
Current assets			
Cash at bank and in hand		8,510	9,736
		8,510	9,736
Creditors: amounts falling due within one year	6	(3,000)	(6,270)
Net current assets		5,510	3,466
Total assets less current liabilities		83,349	86,566
Net assets		83,349	86,566
Capital and reserves			
Non equity share capital	7	5	5
Income and expenditure reserve		83,344	86,561
		83,349	86,566

The notes on pages 13 to 16 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 25 August 2022.



Gill Ditchburn (chair of the board)
25 August 2022



Tracey Liggett (company director)
25 August 2022



Marcus Evans (company secretary)
25 August 2022

Sovini Charities Limited

**Statement of Changes in Equity
for the year ended 31 March 2022**

	Non-equity share capital	Income and expenditure reserve	Total equity
	£	£	£
1 April 2021	5	86,561	86,566
Comprehensive surplus for the year			
Surplus for the year	-	(3,217)	(3,217)
Total comprehensive surplus for the year	-	(3,217)	(3,217)
Capital contribution from parent:	-	-	-
31 March 2022	5	83,344	83,349

**Statement of Changes in Equity
for the year ended 31 March 2021**

	Non-equity share capital	Income and expenditure reserve	Total equity
	£	£	£
1 April 2020	5	109,815	109,820
Comprehensive deficit for the year			
Deficit for the year	-	(23,254)	(23,254)
Total comprehensive deficit for the year	-	(23,254)	(23,254)
Capital contribution from parent:	-	-	-
31 March 2021	5	86,561	86,566

The notes on pages 13 to 16 form part of these financial statements.

Sovini Charities Limited

Notes Forming Part of the Financial Statements for the year ended 31 March 2022

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- 4 Taxation on deficit on ordinary activities

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- 5 Fixed asset investments
- 6 Creditors: amounts falling due within one year
- 7 Non equity share capital
- 8 Controlling party and related party transactions

Sovini Charities Limited

Notes Forming Part of the Financial Statements for the year ended 31 March 2022

1 Accounting policies

Legal status

The society is registered in England with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014. The society is a public benefit entity with charitable objectives.

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The Association has applied the provisions for FRS 102 specifically applicable to public benefit entities.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Basic Financial Instruments; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Sovini Limited as at 31 March 2022 and these financial statements may be obtained from their registered office at Unit 1, Heysham Road, Liverpool, L30 6UR.

The following principal accounting policies have been applied:

Going Concern

There are no future plans for the development of trading activities within Sovini Charities Limited beyond the small levels of charitable donations currently received and distributed. Sovini Charities Limited remains focussed on its role as a holding company for Pride of Sefton and potential acquisition of charities within the Sovini group, as such the fixed operating costs are minimal (c.£3k per annum), all other costs incurred are only as a direct result of revenue generated whereby the revenue always precedes the expense. The directors have considered the current cash reserves of £8.5k and net current asset position of £5.5k are satisfied that these are more than sufficient to maintain these low-level operating costs whilst ensuring that Sovini Charities Limited remains a going concern.

Basis of Consolidation

The company is a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 99 of the Co-operative and Community Benefits Society Act 2014. These financial statements therefore, present information about the company as an individual undertaking and not about the Sovini group.

Fixed asset investment in subsidiary - non-exchange transactions

This accounting policy relates to the acquisition of Pride of Sefton on 28 October 2016 and its purpose is to disclose the value of this transaction.

On 28 October 2016 Sovini Charities Limited was given a 100% interest in the charitable company Pride of Sefton for nil consideration. In line with accounting treatment prescribed for public benefit entities receiving an asset in a non-exchange transaction with a non-government body Sovini Charities Limited has recorded a fixed asset investment with an initial value equal to the fair value of the assets and liabilities of Pride of Sefton. Sovini Charities Limited has recorded a gain equal to the value of this investment in the statement of comprehensive income.

This fixed asset investment is assessed for impairment at each reporting date.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Sovini Charities Limited

Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

1 Accounting policies (continued)

Other operating income

Other operating income relates to donations received from group members and external donors. These donations are received with no restrictions and are distributed to charities within the Merseyside and wider area.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position consists of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

Taxation

Sovini Charities Limited is a co-operative and community benefit society and has charitable status for tax purposes and is therefore exempt from corporation tax in respect of income under Section 505 ICTA 1988.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the company's fixed asset investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the subsidiary undertaking.

Other key sources of estimation uncertainty

There are no other key sources of estimation uncertainty.

3 Operating deficit

	2022	2021
	£	£
This is arrived at after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	1,200	1,200
Fees payable to the company's auditor and its associates for other services to the company		
Taxation compliance services	1,800	-

All auditor fees are inclusive of VAT

4 Taxation on deficit on ordinary activities

Sovini Charities Limited is a co-operative and community benefit society with charitable status and is therefore exempt from corporation tax in respect of income under section 505 ICTA 1988.

Sovini Charities Limited

Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

5 Fixed asset investments

	2022 £	2021 £
At 1 April 2021	83,100	95,921
Impairment	(5,261)	(12,821)
At 31 March 2022	77,839	83,100

Details of Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the association has an interest in are as follows:

Name	Country of incorporation or registration	Proportion of voting rights	Ordinary share capital held	Nature of business	Nature of entity
Subsidiary undertakings					
Pride of Sefton	England	100.00%	N/A	Charitable narrow boat excursions	Registered charity

Pride of Sefton made a deficit of £5,261 (2021: £12,436) and have net assets of £77,839 (2021: £83,100) at the year end.

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	-	541
Accruals and deferred income	3,000	5,729
	3,000	6,270

7 Non equity share capital

	2022 £	2021 £
Allotted, called up and fully paid		
5 ordinary shares of £1.00	5	5

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up.

8 Controlling party and related party transactions

The company is a wholly owned subsidiary of Sovini Limited and has taken advantage of the exemption conferred by section 33.7A of FRS 102 not to disclose transactions with Sovini Limited or other wholly owned subsidiaries within the group.

Sovini Limited is the controlling party of the business by virtue of the fact that it has the right to determine appointments to the board of the company.