

Company registration number: 08617386

Charity registration number: 1162393

New Directions Support

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 July 2019

Lisa Healings FCCA
VAST
The Dudson Centre
Hope Street
Hanley
Stoke-on-Trent
ST1 5DD

New Directions Support

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New Directions Support

Reference and Administrative Details

Trustees	Sara Jones, Chair Jerry Stokes Eleanor Chumley-Roberts Denise Tolson Derek Follows Julie Yates Alice Lord (appointed 8 July 2019)
Senior Management Team	Warren Low, Chief Officer Jill Aldridge, Deputy Manager
Principal Office	The Hub 17 Eastgate Street Stafford ST16 2LZ
Company Registration Number	08617386
Charity Registration Number	1162393
Bankers	Santander 1 Market Square Stafford ST16 2JH
Independent Examiner	Lisa Healings FCCA VAST The Dudson Centre Hope Street Hanley Stoke-on-Trent ST1 5DD

New Directions Support

Trustees' Report (incorporating The Directors' Report)

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 July 2019.

New Directions Support commenced operations on 3rd December 2013 and is now in its 6th year of operation. Initially operated as a Community Interest Company (CIC) the organisation was formally registered as a charity on 24th June 2015.

This report accompanies the New Directions Support Accounts for the period Aug 1st 2018 to July 31st 2019

Objectives and activities

Objects and aims

For the public benefit, the relief of those in need by reason of disability by the provision of day activities for adults, over the age of 18 years, in the county of Staffordshire, in particular the provision of structured activities related to education, leisure and work-preparation.

Public benefit

The main activity of New Directions Support is the provision of a varied and structured programme of day opportunities for adults with a learning disability. These are currently delivered at, and run from, the organisation's base in the centre of Stafford. Referrals can be made to the service from anyone with a learning disability who meets the eligibility criteria and lives within the area.

New Directions Support commenced operations on 3rd December 2013 and is now in its 6th year of operation. Initially operated as a Community Interest Company (CIC) the organisation was formally registered as a charity on 24th June 2015.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The charity is operated under the rules of its memorandum and articles incorporated 19 July 2013 as amended by special resolution and certificate of incorporation on change of name dated 07 May 2015.

Governance

During the accounting period the Charity continued to enjoy a high level of governance from the board of voluntary trustees who met on a quarterly basis. All meetings were minuted. At the end of the period there were 7 people on the board of trustees, with the addition of one trustee in July 2019. Trustees are encouraged to visit the service and many attended functions and events, as well as visiting on an ad-hoc basis.

The service continues to be managed on a day-to-day basis by a Chief Officer, assisted by a Deputy Manager. The Chief Officer reports to the board on a range of indicators, including any serious incidents, accident and safeguarding issues. The financial performance of the organisation is monitored against predicted budgets and spends were reported at each meeting against expected financial targets. A range of policies and procedures have been written and approved by trustees to support the governance of the organisation. The trustees held their AGM in December 2018 where trustees were re-elected to the board.

During the year the strategic development of the organisation was guided by a business development action plan, which was set and agreed by trustees at the start of the year. This was updated and reported against by the chief officer at each meeting.

The trustees' remuneration sub-committee meets each year to set the pay rates for staff and also visits the service to carry out audits of the financial systems.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

Recruitment and appointment of trustees

Trustees of New Directions Support are appointed through a fair and transparent process which follows the organisations equal opportunities policy. Vacancies for trustees are advertised with a summary of the skills and/or experience sought and advertised at both a national and local level. Terms of reference for trustees are available and are sent to candidates, who then undergo a selection process, again following the organisation's equal opportunities policy. All applicants are interviewed by at least two people, including the Chair of Trustees, where their skills and suitability are appraised against the terms of reference. Trustees are made up of individuals with a range of skills and experience and, when deciding on a replacement for an existing trustee, due regard is made for the type of skills required from any replacement in order to support the board.

Organisational Structure and Management

During the period staffing ratios have continued to stand at a nominal 1 staff to 3 service users for mainstream clients and the organisational staffing structure has remained largely unchanged from the previous years. The organisation was managed by a senior team of 2, which consisted of a Chief Officer and a Deputy Manager, supported by a Finance Officer, and two co-coordinators then supported specific areas of the business. The remainder of the staff worked as support workers. At the end of July 2019, the organisation had 175 support hours each week (including Saturdays). In total at the end of the period there were 12 permanent staff and 2 bank staff.

The senior management team are aided in their work through a variety of professional support services, and notably New Directions Support has continued to retain a HR Consultancy Firm. This arrangement has ensured that support and assistance has been available for specific HR matters when required, and that the organisation continues to abide by employment law and good practice.

Key Developments

The financial period August 1st 2018 to July 31st 2019 saw some notable developments both internally within the organisation, and also externally within the wider environment:

External Developments

Staffordshire County Council: The Community Offer:

Some 24 of the 50 service users attending New Directions Support in July 2019 come through Staffordshire County Council, with funding for individuals either provided through directly-managed budgets or via a system of direct payments to carers. Hence the contractual basis by which the County Council purchase services is key to the operating model of New Directions.

In early 2019 Staffordshire County Council announced their intention to consult on a revised contractual framework and a move towards standardised contracts and indicative pricing, alongside a system of quality assurance for independent providers of day opportunities in the County. The County Council entitled this proposal "The Community Offer" and a comprehensive consultation process was undertaken during the first few months of 2019 with providers, carers and users of services.

Following Select Committee Approval On Wednesday 19 June 2019, Staffordshire County Council's Cabinet approved the following recommendations in respect of day opportunities provided by the independent marketplace: The Cabinet:

1. Approved the development and implementation of contract;
2. Approved the further development and implementation of a pricing strategy.

Further work will now need to be carried out by the County Council to implement both the revised pricing and contract frameworks and New Directions Support continues to be engaged with this process. However, there will be undoubted changes to the way that services are purchased in the future and the management team are preparing for the tendering of services and for the evidencing of quality standards to external bodies in the near future.

Internal Developments

The New Life Skills Centre

During the accounting period New Directions signed the lease on a second property in Stafford to serve as a Life Skills Centre for the organisation. The new property, which sits in the grounds of the old University site at Beaconside, was refurbished in early 2019 and now provides a dedicated resource for independent living skills with a fully fitted kitchen, teaching areas, gardens and offices. The resource has provided extremely popular and has allowed New Directions Support to widen its offer to individuals in order to continue to meet individual needs and outcomes.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

The Hub

During the period the organisation continued to maintain its existing accommodation at The Hub, in central Stafford. The resources at The Hub include the organisation's workshop, art studio, interactive teaching area and office accommodation. New Directions continues to maintain excellent relationships with the voluntary sector infrastructure organisation "VAST" who run and maintain the building.

5th Birthday Celebrations

On 7th December 2018 New Directions celebrated the 5th anniversary of the inception of the organisation by holding a birthday party and "Open House" at the Hub. The event was attended by the local MP for the area Mr Jeremy Lefroy as well as over 110 friends and carers. The celebration showcased the key developments of the organization and the excellent work of the service users and staff, and attracted local publicity.

Sustainability and Ethics

With a growing societal awareness of the need for organisations to become more ethical, and to work in more sustainable ways, New Directions Support developed an ethical policy during the year which was approved by trustees in July 2019. This policy laid out defined ways of working which promote an ethical and sustainable stance by the organisation. This includes reducing the use of single use plastics, becoming less dependent on hard copy of documents (and becoming digital by default) and having a more focused approach to the use of resources, transport and consumables. Staff have been actively involved in promoting these measures and adopting new ways of working.

Achievements and performance

Performance

New Directions continues to attract referrals from Health and Social Care professionals and the organisation has continued to see a rising role in this period.

At the end of the period New Directions Support provided services to 50 people, up from 45 at the same point in 2018. This equates to an average daily attendance of 17 people, and 557 hours of service-delivery Monday to Friday (up from 545 at the same point last year)

Attendance at the Saturday group, which began in May 2018, remained constant through the period with an average of 8 people attending for 3 hours each Saturday afternoon.

Quality Assurance

Carers Survey

New Directions Support recognises that the best arbiters of quality are those people who use the service and we recognise a range of stakeholders who will have a view on the quality of the organisation. Carers receive a quality survey which can be completed either online or in hard copy, and this year these surveys were sent out at the end of July for completion in August 2019. The survey canvasses a range of opinions on key areas of the service as well as asking for some qualitative responses and the confidential responses are collated by an external agency before being seen by the trustees in September. Actions are then taken where appropriate and inform the annual business plan, as well as being relayed back to carers.

Staff Survey

New Directions also canvasses staff on their views of working for the service. In 2019 these were done as anonymous on-line surveys using a web-based application and a 75% return rate was achieved. Qualitative responses were also sought on staff experiences of the organisation and the results have proved useful in identifying both areas of strength for the organisation as well as possible improvements. The results were shared with trustees along with the recommendations for further action.

As a further indicator New Directions collates and reviews all sickness within the organisation. Across the year in question there was no long term sickness (0%) and short term sickness across all paid staff was 0.61 % which is significantly lower than is expected in the sector.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

Service Users Feedback

One of the most challenging issues in relation to quality assurance lies with obtaining meaningful feedback from individual service users where there may be communication or cognitive issues, and the area also has an ethical perspective as users are apt to give the answer to questions that they feel is required. However, this is an area for development within the service and we have continued to refine our methods of obtaining meaningful feedback. We have piloted a process of one to one discussions with individuals using a range of communication aids about their experience, and this has led to some interesting and valid responses. However, this is still an area of development which is identified within the annual business plan.

Outcomes Monitoring

With a renewed emphasis on the importance of individuals achieving outcomes by the County Council, New Directions recognise the importance of capturing the evidence of service user's progression as a measure of quality. In the early spring of 2019 the organisation implemented a new system of capturing progression towards set outcomes for all Staffordshire County Council funded clients. This will ensure that we are able to evidence real progression at reviews and all staff can be confident on the set outcomes for individuals.

Healthwatch Enter and View Visit

On 4th March 2019 New Directions Support received its first "Enter and View" visit from Stafford Healthwatch as part of a programme of visits commissioned by Staffordshire County Council. The aim of the visits was to report on the range and quality of services and New Directions were able to provide a wide range of evidence to visiting inspectors. The subsequent report recognised the high quality services provided by the organisation and said:

"The management and staff are highly motivated and enthusiastic. They obviously care about the clients and the quality of service provided. We were impressed with the detailed care and concern for the service users. ... It is also really good to see how any money the service has made has been put back into the service to improve the facilities; ... We found that the service met all of the Quality Indicators that are considered within this report and provided a well-managed, effective, caring and responsive service."
(Healthwatch Staffordshire)

Achievements

General

As part of its core objectives New Directions continue to provide structured activities to meet individual outcomes. Over the accounting period the organisation has continued to provide a well-structured and varied programme of activities on a daily basis from Monday to Friday as well as a Saturday afternoon group. The staff to service user ratio has remained at 1 staff to 3 service users throughout the service delivery. This is an important part of maintaining quality standards and ensuring individuals are supported appropriately to meet their individual outcomes.

Community Links

The New Directions Support in-house provision, which now includes the new Life Skills Centre, is supplemented by an increased use of the local community to increase individual community participation and over the period there have been some extremely beneficial links established with external organisations. In the Spring of 2019 New Directions once again worked alongside local learning disability Charity "Beam" to run adult education courses at the Life Skills Centre around independent living skills and cooking. This course led individuals through the steps involved in preparing and cooking a range of meals and included budgeting and menu planning. The work from these sessions has now proved useful for internal staff as they carry this topic forward.

New Directions also established an extremely productive partnership with Freedom Leisure and the Gatehouse theatre in Stafford in 2019. This led to the organisation being able to perform their first ever "variety show" at the theatre on 24th of July. The theatre management have been extremely supportive of the drama initiatives and, in addition to providing the venue and staffing for the show, also provided workshops for the group which included professional costumes and props.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

During the winter New Directions Support continued to take advantage of the facilities at the local Beaconside sports centre in order to pursue sporting activities as part of the "Active Day" programme. This included use of the sports hall and the various sports equipment.

This increased use of the local community continued to be a key focus of service delivery in the period. As well as practically helping individuals gain valuable experience and awareness of their locality, and the amenities within it, increased community participation and community presence are seen as two of the key strands to creating a valued lifestyle for adults with a learning disability. The charity therefore continually looks for new opportunities for community engagement in all the activities it provides.

In-House Resources

The in-house timetable continued to grow and develop over the accounting period as more individual outcomes were addressed. In particular, the organisation has added to the resources of the workshop and the art studio to ensure these important parts of the service continue to thrive.

During the year a number of excellent pieces of Art have been produced in the studio, of extremely high quality. The group have exhibited in local art exhibitions and work has been commissioned for one of the meeting rooms at The Hub. The organisation is fortunate to have the services of a very skilled member of staff to teach the group and the sessions in the art studio prove to be very popular.

Another one of the most popular resources at New Directions is the in-house workshop. This multi-functional space continued to be a hub of creation and the base for the Technology, "Toolbox" and Woodwork sessions. Additional specialist equipment and resources have been added through the accounting period. Projects of note in this period included the building of a functional hovercraft by the technology group, the design and building of ceramic models inspired by a local artist, the manufacture of a range of Christmas decorations and gifts, and the creation of a life-size model Star Wars Robot R2D2.

In addition to the above the organisation has continued to develop other activities and these have included a user-led project group which has been instrumental in supporting events and fund-raising for other charities including holding a "MacMillan" Coffee Morning.

Student Links

New Directions Support offered a number of student placements to young people from both further and higher education institutions over the period. This has been an area of growth for the organisation with dedicated mentors being introduced internally and a more structured approach to student induction and progression. The links with Stafford College (Part of The North Staffordshire Colleges Group) have strengthened and developed in the financial period. This included New Directions being showcased as part of a video on the college placement opportunities. Staff from New Directions have attended the college and spoke to students about the work of the organisation. In June 2019 New Directions was delighted to be awarded the "Employer of the year" Award by NSCG for their work with the students.

Carers Links

Within the year, the organisation continued to develop lines of communication with carers who are encouraged to visit the service at any time. More formalised links included the publication of a monthly newsletter and a monthly Carers Coffee Morning. A productive link has been established with the local carers association CASS, whose officers have visited and spoken at the carers meetings and who have supported individual carers where needed. The carers group were also actively involved in the consultation around the "Community Offer" and collectively wrote a letter to the council as part of this, as well as visiting consultation events individually. Carers continue to play an important part in the development of the service going forward and at the time of writing this report are being canvassed on their views of the service as part of the annual carers quality survey.

Professional Relationships

The organisation is an accredited centre for DMIO (De-escalation, Management and Intervention) and retains links with specialist staff at the local mental health trust (Part of MPFT) to support the ongoing training and development of this important area of the work.

New Directions Support continues to work in partnership with a wide range of health and social care professionals including Social Workers, Community Nurses, Speech and Language therapists and Psychologists, and the organisation is seen as part of a multi-disciplinary approach to meeting the needs of individuals.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

Financial review

Budget monitoring remains an important part of the financial controls and individual expenditure groups continue to be monitored on a monthly basis against the budget set by trustees at the start of the period. The following are of note in respect of the accounts for the period.

Income

Principle funding for the organisation during the period continued to come from individuals funded through Staffordshire County Council, either as a managed budget or indirectly through devolved direct payments. These service users account for some 68% of all income. However, in addition there are now a growing cohort of users who choose to pay for services themselves, or who have personal health budgets, and this continues to be seen as an area of growth in the future. New Directions Support also continued to hold a substantial contract with a residential provider for a number of their residents. Income from individuals has been supplemented by some small donations over the period, as shown in the financial accounts.

The organisation seeks to keep costs to individuals as low as possible and the daily costs of the service to users remained the same as the previous year, comparable to other similar organisations locally.

Expenditure

During the period the organisation continued to see a good financial performance with a small excess of income over expenditure of 5.6% (£14,686), on a turnover of £260,778. This excess was mainly due to a small increase in income from new referrals during the period. The period also saw a significant one-off investment in the new Life-Skills Bungalow of £13,367 to refurbish the venue.

The biggest single expenditure for the organisation continues to come from staffing costs which accounted for some 70.3% of planned budget expenditure. Here some significant pressures have been felt on the budget in the accounting period including the rise of the national minimum wage to £8.21 and the impact of the new pension arrangements with an increase in employer's contributions to 3% from April 2019. Both of these factors have put pressure on staff costs at a time when it has not been possible to raise income due to the forthcoming review of day opportunities contracts.

Travel and subsistence continued to be an area of significant expenditure for the organisation as it seeks to provide a high quality community service, and also in the use of staff vehicles to transport service users from their homes in a socially valued manner.

A number of other itemised costs are given in the accounts and it is notable that the cost of consumables has been kept to below 0.8% of annual turnover, despite the expansion in activities. Furniture and equipment has also been kept low (1.2% of turnover) through an increased use of donated and recycled furniture. Any surplus of income over expenditure has been channelled to the organisation's reserves in line with the formalised reserves policy from June 2016.

Policy on reserves

The organisation has a financial procedures policy which was formally adopted by trustees on the 19 October 2015 and amended in June 2016. This document includes the policy on reserves. This is given here.

- a) Charity law requires any income received by a charity to be spent within a reasonable period of receipt.
- b) The Charity will keep a working financial balance equal to approximately one month's operating costs within the current account.
- c) Trustees will be able to justify the holding of any surplus income above this as reserves.
- d) Reserves will be that part of the charity's unrestricted income funds that is freely available to spend.
- e) The level of reserves held throughout the year will be monitored through the year and kept under review to ensure it meets a charity's changing needs and circumstances.
- f) The Charity will aim to ensure that it builds sufficient reserves to ensure it can continue to operate and maintain its financial commitments for a six-month period without income.
- g) This period of time is deemed long enough for alternative sources of funding to be investigated.
- h) The reserves will cover staffing and running costs for the six-month period as well as outstanding leases and commitments due by the charity if it were wound up after this six-month period.
- i) Trustees will review the amount held within reserves and the charities financial commitments under this reserves policy on a regular basis.
- j) This reserves policy will be set out in the trustees' annual report.

As of the end of the accounting period the organisation had £158,367 in reserves. As per the above policy the organisation continues to aim to have 6 months operating and closedown costs in reserve which equates to approximately £124,548. In addition to allowing for the closedown contingencies the reserves also allow the organisation to manage annual fluctuations in income as referral rates change.

New Directions Support

Trustees' Report (incorporating The Directors' Report)

Risks

The organisation keeps a register of strategic risks along with control measures. Significant external risks to funding have led to the development of the strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of financial procedures under the organisation's financial policy. The organisation has a process of risk assessments for both environmental and service user-specific hazards, and all staff are required to read and sign to record their understanding of the control measures. All risk assessments are reviewed regularly, and at least annually. The organisation has a policy for dealing with serious incidents which includes a requirement to inform the Chair of Trustees at the time. These are then reported on at the next trustees board meeting. Accidents are recorded as per health and safety legislation and also reported to trustees, along with any subsequent actions.

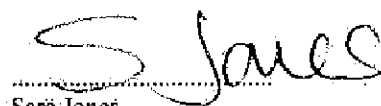
Other relevant information

The organisation continues to publicise the work that it does through a variety of mediums. These include a web page (www.newdirectionssupport.org.uk) and a facebook page NEW DIRECTIONS SUPPORT. Both give more information on activities available.

Small company statement

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

The annual report was approved by the trustees of the charity on 10/12/19 and signed on its behalf by:



Sara Jones
Trustee

New Directions Support

Independent Examiner's Report to the trustees of New Directions Support

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 July 2019 which are set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of New Directions Support (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of New Directions Support are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

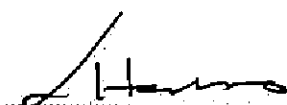
Independent examiner's statement

Since New Directions Support's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe;

1. accounting records were not kept in respect of New Directions Support as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Lisa Healings FCCA
Association of Chartered Certified Accountants

VAST
The Dudson Centre
Hope Street
Hanley
Stoke-on-Trent
ST1 5DD

Date: 23/1/2020

New Directions Support

Statement of Financial Activities for the Year Ended 31 July 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £
Income and Endowments from:			
Donations and legacies	3	1,287	1,287
Charitable activities	4	259,219	259,219
Investment income	5	474	474
Total income		<u>260,980</u>	<u>260,980</u>
Expenditure on:			
Charitable activities	6	<u>(249,095)</u>	<u>(249,095)</u>
Total expenditure		<u>(249,095)</u>	<u>(249,095)</u>
Net income		<u>11,885</u>	<u>11,885</u>
Net movement in funds		11,885	11,885
Reconciliation of funds			
Total funds brought forward		<u>146,482</u>	<u>146,482</u>
Total funds carried forward		<u>158,367</u>	<u>158,367</u>
	Note	Unrestricted funds £	Total 2018 £
Income and Endowments from:			
Donations and legacies	3	1,402	1,402
Charitable activities	4	250,342	250,342
Investment income	5	261	261
Total income		<u>252,005</u>	<u>252,005</u>
Expenditure on:			
Charitable activities	6	<u>(221,597)</u>	<u>(221,597)</u>
Total expenditure		<u>(221,597)</u>	<u>(221,597)</u>
Net income		<u>30,408</u>	<u>30,408</u>
Net movement in funds		30,408	30,408
Reconciliation of funds			
Total funds brought forward		<u>116,073</u>	<u>116,073</u>
Total funds carried forward		<u>146,481</u>	<u>146,481</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note .

New Directions Support

(Registration number: 08617386)
Balance Sheet as at 31 July 2019

	Note	2019 £	2018 £
Current assets			
Debtors	11	22,906	23,852
Cash at bank and in hand		<u>141,240</u>	<u>127,179</u>
		164,146	151,031
Creditors: Amounts falling due within one year	12	<u>(5,779)</u>	<u>(4,550)</u>
Net assets		<u>158,367</u>	<u>146,481</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>158,367</u>	<u>146,481</u>
Total funds		<u>158,367</u>	<u>146,481</u>

For the financial year ending 31 July 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 10 to 17 were approved by the trustees, and authorised for issue on 10/12/19 and signed on their behalf by:



Sara Jones
Trustee

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

1 Charity status

The charity is a charity limited by guarantee registered in England and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

New Directions Support meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Interest on bank deposits is recognised in the period in which it is earned.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when: a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3. Income from donations and legacies

	Unrestricted funds		
	General	Total 2019	Total 2018
	£	£	£
Donations and legacies;			
Donations from individuals	1,287	1,287	1,402
	<u>1,287</u>	<u>1,287</u>	<u>1,402</u>

4. Income from charitable activities

	Unrestricted funds		
	General	Total 2019	Total 2018
	£	£	£
Provision of services	259,219	259,219	250,342
	<u>259,219</u>	<u>259,219</u>	<u>250,342</u>

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Interest receivable and similar income:			
Interest receivable on bank deposits	474	474	261

6 Expenditure on charitable activities

	Activity undertaken directly		
	£	Total	Total
		2019	2018
		£	£
Salaries	169,062	169,062	162,136
Employers NI	5,314	5,314	4,999
Travel and general expenses	11,473	11,473	11,682
Training	923	923	199
Memberships	-	-	150
Accounts preparation & independent examination	618	618	618
Insurance	687	687	877
Payroll	-	-	461
Legal fees	-	-	13
Bank charges	90	90	90
DBS checks	336	336	277
Rent	25,943	25,943	21,550
Equipment purchases	4,439	4,439	4,515
Furniture & equipment	-	-	2,650
Purchases	4,174	4,174	1,540
Telephone & IT	1,290	1,290	538
Printing, postage & stationery	930	930	1,174
Publicity	218	218	136
Room hire	2,132	2,132	1,614
Sundries	873	873	684
Bungalow	15,733	15,733	1,072
HR	2,800	2,800	2,100
Pensions	2,060	2,060	2,522
	<u>249,095</u>	<u>249,095</u>	<u>221,597</u>

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Independent examiner fees			
Examination of the financial statements	618	618	618
	<u>618</u>	<u>618</u>	<u>618</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2019	2018
	£	£
Staff costs during the year were:		
Wages and salaries	169,062	162,136
Social security costs	5,314	4,999
Pension costs	2,060	2,522
	<u>176,436</u>	<u>169,657</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2019	2018
	No	No
Employees	<u>8</u>	<u>9</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £52,187 (2018 - £48,849).

New Directions Support

Notes to the Financial Statements for the Year Ended 31 July 2019

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Debtors

	2019	2018
	£	£
Trade debtors	22,365	23,499
Prepayments	541	353
	<u>22,906</u>	<u>23,852</u>

12 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	2,016	-
Other taxation and social security	1,106	1,247
Pension scheme creditor	574	321
Accruals	2,083	2,982
	<u>5,779</u>	<u>4,550</u>

13 Related party transactions

There were no related party transactions in the year.

