

REGISTERED COMPANY NUMBER: 3525955 (England and Wales)
REGISTERED CHARITY NUMBER: 1073291

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2021
for
Independence Initiative Limited**

SB&P
Chartered Accountants
Oriel House
2/8 Oriel Road
Bootle
Merseyside
L20 7EP

Independence Initiative Limited

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for the Year Ended 31 March 2021**

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Independence Initiative Limited

Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Aims and Objects of the Charity are:

To promote social inclusion for the public benefit by preventing people from being socially excluded by relieving their needs and assisting them to integrate into society.

The relief of poverty, the physical and mental sickness and distress of persons in need by reason of addiction to drugs, alcohol and other similar substances and their families, in particular (but without prejudice to the generality of the foregoing) by the provision of services designed to facilitate the long term rehabilitation of such persons and the provision of support to their families.

The prevention of dependence on drugs, alcohol and other similar substances.

The education and training of the public regarding the dangers of drugs, alcohol and other similar substances and constructive means of dealing with such dangers.

The charity's definition of 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors:

- Substance abuse or dependency including alcohol and drugs
- Ill health (physical or mental)
- Relationship and family breakdown
- Domestic violence
- Unemployment
- Financial hardship
- Poor housing (that is housing that does not meet basic habitable standards)
- Crime (either as a victim of crime or as an offender rehabilitating into society)

Significant activities

Historically, the unique selling point of the organisation has been the one-to-one nature of support we have provided to people experiencing substance misuse problems. Highly personalised support over a period of time has included crisis support, access to psychosocial interventions and creative methods of engagement designed to build confidence and self-esteem as a foundation for more effective recovery. People are referred to us from local GPs, via prisons, probation services or other key agencies. Each person is assessed, and an individual action plan is negotiated with them that meets their short, medium and long-term aspirations. However, our activities have evolved, and our one-to-one model of support is now supplemented with small group work with our residents and other community members. We continue to grow and develop our wider role in the community through which we are involving and supporting people facing social exclusion and isolation.

The Key, our transitional housing service based at our Balliol Road site and in our houses in the community, has been consolidated during this year. We are now a significant provider of transitional housing for people experiencing substance misuse problems combined with other chronic issues. So, we provide stable housing and intensive support for people experiencing difficult combinations of drug and alcohol use, offending histories, mental ill-health, homelessness and long-term physical health conditions. During this financial year the number of beds available has remained stable at 25.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The public benefits we deliver are reductions in the risks of homelessness, the risks of crime and the fear of crime. We reduce the costs to society of criminality, lower the levels of physical and mental ill health (including substance misuse), reduce emergency attendances at A&E and the number of in-patient nights, help reduce the impact of addiction on children, families and the wider community and motivate clients to develop the skills required to improve their options in the labour market.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2020/21 Independence Initiative was impacted by the Covid 19 pandemic. Our primary aim during this period was to ensure the safety and wellbeing of our beneficiaries. In addition, we had to consider the going concern position, to check viability and liquidity and income generation potential. A Covid 19 emergency plan was introduced that involved a combination of factors. The main office premises were closed as part of the national lockdown, some staff were furloughed and priority was given to the wellbeing of residents in our residential properties. Measures for social distancing were introduced, and Personal Protective Equipment (PPE) was purchased or donated to us. Careful management saw the introduction of flexi furlough, and phased return of staff with full staffing reinstated before the end of the financial year. Residents of the Key were monitored during this time and a system for addressing emergency food and essentials shortages was put in place. We also introduced methods of remote working with our residents to ensure any support needs were maintained. We were able to secure some emergency funding that helped us to address additional needs for existing beneficiaries as well as enabling us to respond to shortfalls in residential income arising from the 'freezing' of referrals from secure estate partners. We also took advantage of the Bounce Back Loan scheme during this period.

Whilst this had an obvious and clear impact on the range of opportunities that we could offer we managed to maintain a level of support that assisted our residents throughout the year. We maintained the number of beds we offer at 25 and have also identified several new agencies who are keen to work with us in finding effective housing for local people who are often at risk of homelessness and in need of wraparound psychosocial support. We have continued to offer people personal support, facilitated access to local health, advice, and other welfare services, encouraged the re-development of connections with families (where appropriate), facilitated positive group activities such as gardening and maintenance projects and supported access to learning and employability programmes. This continued, albeit on a reduced basis, throughout the year.

To provide examples of the kind of challenges that our beneficiaries face and the ways in which we discharge our public benefit and pursue our charitable aims, we set out (below) two case studies from people we have supported during the year.

Case Study 1 Male

Arrived at the Indy aged 46

Drug Use: Alcohol / Crack / Cannabis

By my age you would like to think I would have home, family, career. I have not.

My substance misuse started early, experimenting with my brother and friends and this led to intense weekend bouts but I always managed to keep employment.

The deaths of four people close to me, my Dad, my brother (murdered), my Mum and my Nan combined to trigger a downwards spiral, my mental health, substance misuse and criminality all got out of control quite quickly.

I have spent the last ten years hopeless and out of control. I have not spent more than four months out of prison in this time. I felt that I had no reason to rehabilitate, did not have a connection on the outside, no support, no life skills to survive.

I was discharged from prison at the height of the Covid pandemic and was frightened which made my mental health and anxiety worse. I secured a place at Independence Initiative (Indy) through my prolific offender manager at the Police and through my Probation Officer. It was hard meeting new networks of people and moving to a new area, so I had high levels of personal anxiety, fear of relapse, the pandemic and isolation which was leading to lots of personal conflict. The package of support is intensive, we are encouraged to connect with ourselves and others and are allocated an individual support worker to help with goals and any obstacles you may have.

I have no digital skills at all, and this created a problem for me with benefits (online access) during the pandemic. I am also on a limited budget, so I can't afford a smartphone. The Indy have provided training for me and a tablet which allows me to connect to the staff and others in the community via the apps.

The property I'm in also has WiFi which has also unlocked other benefits, I don't feel as vulnerable or as socially isolated. I have managed to meet all my probation appointments remotely through this device which has stopped any prison recalls. I have also managed to connect to mutual aid support groups from home, something I've never had the confidence to do physically, this has also helped my recovery.

I take the lead in the community by helping staff deliver the weekly food parcels they provide. I have personally benefited from this. Shopping is a skill, I would not know what to buy and I get overwhelmed in supermarkets. These hampers consist of dry, dairy and frozen goods which have given me a good framework of a shopping basket that I will be able to replicate, helping me to become more independent. It has also helped with my anxiety, as I don't like shopping especially during a pandemic and the restrictions in place. I think if I would have been pushed into that arena, I wouldn't have been able to manage my mood and anxiety and it would have come across as aggression, any violent incidents would lead to prison recall - so I'm grateful of this service provision at the Indy.

I have also benefited greatly from the "walk talks "with my key worker. This has helped ease my depression and anxiety as we have daily planned routes that have helped me get through the recent lockdown.

I also feel much more at ease and relaxed during these walks and can talk easier about difficulties I'm experiencing instead of in an office-based situation, which I associate with authority and control. I replicate these walks of a weekend and it has really helped reduce my anxiety and I feel more confident as the routes have been walked and navigated safely.

A great achievement for me is that I am now a senior peer at the organisation, and lead on a lot of projects involving the other residents, I would never believe that this would be possible under normal circumstances, never mind a pandemic.

I am also now settled in this community, with much reduced anxiety levels, I think this is in part due to the one-to-one support sessions I receive. I feel valued and listened to and most of all respected. I am seen as an individual rather than an offender or person with substance problems and mental health issues. I have started my own journey exploring my own mental health and can see the triggers and ques the links which lead to my offending and accelerated substance misuse. Today with this support I don't have to self-medicate, I've been given the skills and tools to develop alternative coping strategies. I have been out of prison now for 11months a milestone I never thought I'd be able to achieve.

Case Study 2 Male

Arrived at the Indy aged 42 Drug Use: Heroin / Crack

I started my journey into drug use at an early age. I was excluded from school and hung around with older kids, crime lifted the boredom and drug use heightened my excitement. I gained a reputation of being a thrill seeker and if someone was taking three ecstasy tablets I'd take six. It wasn't long before I entered the criminal justice system and started my tour of duty of the young offenders' institutions graduating to the main prison estates, building my criminal network.

My appetite for violence, crime and drug use where hard wired into me, each time I was released , I had no intention of breaking the cycle of crime and drug use.

A turning point for me was finding my father dead. He died of cancer. This fuelled a massive crime spree and drug binge. Not long after this, and whilst on this sentence, my brother also passed away unexpectedly, leaving my elderly mother on her own in the community. This sparked a motivation for change in me. I asked for support and help and was referred to The Indy on release. At first, I found it really hard to sit with my feelings, mostly guilt. I was staying drug free from heroin and crack but noticed crippling emotions, so bad that I couldn't eat or sleep and found it difficult to get out of bed for days on end. My GP was supportive and my support worker and the team devised an intense wrap around support package, initially this started with walks to stabilise my mental health, positive affirmations daily, lead to buddy gym sessions with my support worker. Slowly I was starting to feel better.

I found the confidence to enrol on the cooking healthy on a budget course that was being provided by the Indy. My support worker and I had been doing some work around "mood food" and we recognised that my physical and mental health would improve from exercising and the right diet. I built positive peer relationships in this course too which helped conquer a fear of computers as a couple of peers started a digital inclusion course in-house and I didn't want to be left behind so I enrolled too, so couldn't believe how easy and fun I found it. This has unlocked a lot of barriers for me now.

I also wanted to build positive memories with my mum, as we were just linked by horrendous experiences. The Indy managed to secure free VIP tickets from Everton in the Community, which allowed myself and my mum to experience a match together, something positive, and create a good memory After this event we booked a weekend in Whitby and our relationship has grown from this. I am now able to be a son to her.

I have found a passion for horticulture and find it incredibly therapeutic. I have helped on many garden projects at The Indy and I'm now passing on these skills to new members of the community. It is clear that I would not be where I am today , if I didn't have the support, patience and empathy from the team. There are still days that I struggle and I'm not the finished article but I have learnt to reach out on these days for support and know that the feelings will eventually pass and not to use old coping mechanisms.

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

At the start of 2020/21 we implemented an updated funding strategy that included grant applications for Covid support, continued income from The Key properties and grant/trust funding.

During this financial year we continued to receive income from two major grants that were received in 2017/18.

- The Steve Morgan Foundation agreed to a sum of £63,000 over 3 years (£21k per annum) towards our core staffing costs and provided additional emergency support in early 2020.
- Lloyds Bank Foundation awarded us the final year of their 3-year grant investment (£22k per annum) towards staffing and running costs of aspects of female support and other group activity.

Other funding included:

- Our contract with VOLA to deliver Digital Inclusion skills to residents of Sefton as part of the IT-Mersey contract was placed on hold. Both the Big Lottery Fund and ESF agreed to restart delivery once the pandemic allowed for a return to our premises. This contract is worth £18,600 to the Independence Initiative
- AB Charitable Trust awarded us £15,000 towards the induction and retention of new community members.
- Eleanor Rathbone Trust £5,000 Delivery of specialist interventions
- Liverpool CVS £2,000 Delivery of specialist interventions
- Sefton In Mind (Sefton CVS) £3,000 Delivery of specialist interventions
- Hemby Trust £1,500 Building works at our main site
- South Sefton Development Trust £227 Enhancing the garden/premises
- Several funders provided emergency support during Covid lockdown including the National Lottery, Homeless Link, MIND, LCR Mayor's Fund, Charities Aid Foundation and Crisis.

During the pandemic there were many conversations with other community projects, and it was clear that the need for community working and partnership activity has become even more important. So, our grant funding strategy looking forward focuses on providing additional and enriching activities for our residents as well as continuing to respond to the needs of the wider community across North Merseyside to engage people facing some of the same complex and multi-faceted challenges as our residents.

The charity Choose Life continues to operate from and provide services at the Balliol Road premises and we continued to offer space for local Fellowship meetings in support of the wider community.

FINANCIAL REVIEW

Reserves policy

As an organisation with ever-increasing demand for its services, the board of trustees believes that the Charity should be able to maintain free (unrestricted) reserves within a range that equates to between 3 and 6 months of annual operating costs for the organisation. These reserves should be held in cash or easily realisable form. This position is not currently maintained, and the trustees continue to regularly monitor the level of reserves and are implementing strategies designed to achieve this position.

FUTURE PLANS

Ongoing strategic plans have been held in abeyance as a result of the Corona Virus, but we continue to focus activities and plans on our transitional housing project. We also continue to work alongside One Vision Housing as they provide fast-track access to suitable social housing for residents leaving our accommodation.

Identifying new income streams to replace ever dwindling voluntary contract funding has become increasingly important for the charity, and this will continue over the next 5 years. We believe we have begun to develop a reputation with funders for effective project delivery and hope to build on this over time. Continued and ongoing investment in grassroots community work is seen as essential, alongside the development of partnerships across a range of themes and priorities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The Independence Initiative is governed by its board of trustees, who are also directors for the purposes of company law. The trustees are responsible for setting the strategic direction of the organisation and for establishing policy. The Board aims to meet eight times a year. The Board delegates the management of the organization to the Chief Executive, who in turn leads a staff team with specific areas of responsibility.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The original trustees were board members of Bootle Maritime City Challenge, the original fund provider. They became a steering group, and when the organisation became a Charity, they became the founding members and trustees. In 1998 Independence Initiative became the successor body.

Gaps in the skills required were identified, and individuals were recruited to fill the vacancies. All trustees submit themselves to re-election every three years. As individuals resigned replacements were recruited through advertising and networks to reflect the changing needs of the organisation.

All trustees are given induction into the work of the organisation and the duties of trustees. Developmental publications, recommended by the Charity Commission, are distributed to all trustees that are specific to the roles of chair, treasurer, secretary and trustee. Trustees benefit from peer learning opportunities as many of them have vast experience elsewhere on other committees and boards in the voluntary sector, and also in statutory and business settings.

The trustees are appointed by the members of the company and one third of the trustees normally retires by rotation each year and are eligible for re-election at the Annual General Meeting.

1 trustee resigned/retired during the year, namely Celia Blackburn. Celia had provided a valuable contribution to the Board since 1998. Celia has subsequently sadly passed away. Her contribution will not be forgotten.

Induction and training of new trustees

New trustees receive information packs about the charity showing the previous year's financial statements, various officer's reports, business plans and organisational structure. Newly appointed trustees gain experience by attending various trustee meetings.

Strategy Sub Group

During the year a sub-group was established to analyse financial and strategic issues in detail to clarify them for consideration and final approval by the Board.

Related parties

No transactions occurred during the year with related parties.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have assessed the major strategic, business and operational risks to which the Charity is exposed and are satisfied that systems have been established to mitigate our exposure to major risks.

Further to this, the trustees have in place the appropriate insurance policies, including Trustees Indemnity Insurance. The Charity maintains a contingency to meet most situations including closure costs should this be required.

Regular Health and Safety and Risk Assessments are carried out and reviewed as required. All clients, staff and visitors are required to sign in and out of the building to ensure known numbers are in the building.

Internal risk is assessed with all staff members.

A part of the building contains a "Safe Store," this area contains all hazardous materials and valuable items and is kept locked. All items of equipment and materials are signed out of the store and in again after use.

PAT Testing is not required because the equipment we own constitutes a low risk so we can check everything ourselves.

Mobile phones are provided for all staff required to work off-site in the community and Managers are on-call 24 hours a day 7 days a week to support staff in the Key.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3525955 (England and Wales)

Registered Charity number

1073291

Independence Initiative Limited

**Report of the Trustees
for the Year Ended 31 March 2021**

Registered office

64-68 Balliol Road
Bootle
Liverpool
Merseyside
L20 7EJ

Trustees

Celia Blackburn (resigned 14.12.20)
Nigel Edmund Bellamy
Stuart Anton Creak Treasurer
William John Bowley
Jon Wild Chair
Barry Canning Eaton
Amanda Lewtas
Simon Morris
Fiona Smith

Independent Examiner

Suzanne Draper
FCCA ACA
SB&P
Chartered Accountants
Oriel House
2/8 Oriel Road
Bootle
Merseyside
L20 7EP

Bankers

HSBC Bank plc
197 Stanley Road
Bootle
Liverpool
Merseyside
L20 3DX

Solicitors

Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Jon Wild - Trustee

Independent examiner's report to the trustees of Independence Initiative Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (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 the Company 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA ACA 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 the Company 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.

Suzanne Draper
FCCA ACA
SB&P
Chartered Accountants
Oriel House
2/8 Oriel Road
Bootle
Merseyside
L20 7EP

Date:

Independence Initiative Limited

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		78,243	154,171	232,414	90,610
Charitable activities					
Addiction support services		171,158	-	171,158	140,786
Investment income	2	2	-	2	-
Total		249,403	154,171	403,574	231,396
EXPENDITURE ON					
Raising funds		2,882	-	2,882	-
Charitable activities					
Addiction support services		223,686	80,205	303,891	257,198
Total		226,568	80,205	306,773	257,198
NET INCOME/(EXPENDITURE)					
		22,835	73,966	96,801	(25,802)
Transfers between funds	13	99,778	(99,778)	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	-	-	153,917
Net movement in funds		122,613	(25,812)	96,801	128,115
RECONCILIATION OF FUNDS					
Total funds brought forward		189,257	50,805	240,062	111,947
TOTAL FUNDS CARRIED FORWARD		311,870	24,993	336,863	240,062

The notes form part of these financial statements

Independence Initiative Limited

**Balance Sheet
31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	7	297,094	1,167	298,261	295,298
CURRENT ASSETS					
Debtors	8	8,222	18,398	26,620	12,321
Cash at bank and in hand		66,759	5,428	72,187	1,299
		74,981	23,826	98,807	13,620
CREDITORS					
Amounts falling due within one year	9	(14,372)	-	(14,372)	(68,856)
NET CURRENT ASSETS		60,609	23,826	84,435	(55,236)
TOTAL ASSETS LESS CURRENT LIABILITIES		357,703	24,993	382,696	240,062
CREDITORS					
Amounts falling due after more than one year	10	(45,833)	-	(45,833)	-
NET ASSETS		311,870	24,993	336,863	240,062
FUNDS					
Unrestricted funds	13			311,870	189,257
Restricted funds				24,993	50,805
TOTAL FUNDS				336,863	240,062

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Jon Wild - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The charity generated a surplus of £96,801 (2020: deficit £25,802). This has resulted in a net current assets of £84,435 (2020: liability position of £55,236).

The trustees and management continue to closely monitor the charity's finances in order to make certain it remains in a position to meet its short term liabilities as they fall due, and to be able to discharge any outstanding liabilities in the event of winding up. Short term working capital requirements are met through the use of an approved overdraft facility. No adjustments have been made in these financial statements to reflect the position if the charity ceased to be a going concern.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Expenditure on the governance costs of the charity includes both direct costs and apportioned staff support costs. The apportioned staff costs are allocated to governance costs on the basis that they represent an element that specifically relate and contribute to the strategic and future development of the charity.

Tangible fixed assets

Tangible fixed assets capable of lasting more than one accounting period are capitalised and included at cost including any incidental costs of acquisition.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated residual life.

Freehold Property - Art room	- No depreciation - see note above
Fixtures & Fittings	- 25% straight line basis
Computer Equipment	- 3 years straight line basis
Motor Vehicles	- 3 years straight line basis

The Freehold Property is not being depreciated as it is the charity's policy to continually review the value and maintain it out of expenditure charged to revenue to a standard which ensures that the estimated residual value exceeds the NBV.

A deed of covenant is in place whereby on sale of the property for any use other than a drug rehabilitation centre, an amount of 50% of the difference between sale value and open market value with restricted use is payable to the Metropolitan Borough Council of Sefton. As there is no intention to sell the property, no liability (either contingent or actual) is provided in these financial statements. This restriction expires on 24th July 2038.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds are unrestricted funds set aside at the discretion of the trustees.

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	<u>2</u>	<u>-</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	<u>842</u>	<u>599</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

	31.3.21	31.3.20
	£	£
Trustees' expenses	<u>-</u>	<u>31</u>

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Chief Executive	1	1
Client Support Services	8	7
Management & Admin	1	1
General Charitable Activities	<u>3</u>	<u>3</u>
	<u>13</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	41,269	49,341	90,610
Charitable activities			
Addiction support services	140,786	-	140,786
Total	<u>182,055</u>	<u>49,341</u>	<u>231,396</u>
EXPENDITURE ON			
Charitable activities			
Addiction support services	210,377	46,821	257,198
NET INCOME/(EXPENDITURE)	<u>(28,322)</u>	<u>2,520</u>	<u>(25,802)</u>
Transfers between funds	<u>2,600</u>	<u>(2,600)</u>	<u>-</u>
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	153,917	-	153,917
Net movement in funds	<u>128,195</u>	<u>(80)</u>	<u>128,115</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>61,062</u>	<u>50,885</u>	<u>111,947</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>189,257</u></u>	<u><u>50,805</u></u>	<u><u>240,062</u></u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2020	295,000	52,000	-	-	347,000
Additions	-	-	750	3,055	3,805
At 31 March 2021	<u>295,000</u>	<u>52,000</u>	<u>750</u>	<u>3,055</u>	<u>350,805</u>
DEPRECIATION					
At 1 April 2020	-	51,702	-	-	51,702
Charge for year	(500)	74	250	1,018	842
At 31 March 2021	<u>(500)</u>	<u>51,776</u>	<u>250</u>	<u>1,018</u>	<u>52,544</u>
NET BOOK VALUE					
At 31 March 2021	<u>295,500</u>	<u>224</u>	<u>500</u>	<u>2,037</u>	<u>298,261</u>
At 31 March 2020	<u>295,000</u>	<u>298</u>	<u>-</u>	<u>-</u>	<u>295,298</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.21	31.3.20
	£	£
Trade debtors	26,539	12,321
Other debtors	81	-
	<u>26,620</u>	<u>12,321</u>
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 11)	-	16,116
Other loans (see note 11)	4,167	36,586
Trade creditors	173	-
Social security and other taxes	2,068	6,721
Pensions	(364)	1,110
Net wages	-	92
Accrued expenses	8,328	3,532
Grants in advance	-	4,699
	<u>14,372</u>	<u>68,856</u>
10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.3.21	31.3.20
	£	£
Other loans (see note 11)	45,833	-
	<u>45,833</u>	<u>-</u>
11. LOANS		
An analysis of the maturity of loans is given below:		
	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	16,116
Other loans	4,167	36,586
	<u>4,167</u>	<u>52,702</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	8,333	-
	<u>8,333</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	12,500	-
	<u>12,500</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	25,000	-

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21 £	31.3.20 £
Within one year	34,040	-
Between one and five years	8,760	-
	<u>42,800</u>	<u>-</u>

13. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	168,481	22,835	99,778	291,094
Cessation fund	20,776	-	-	20,776
	<u>189,257</u>	<u>22,835</u>	<u>99,778</u>	<u>311,870</u>
Restricted funds				
Sefton DAAT - Capital	26,168	-	(26,168)	-
South Sefton Development Trust	5,396	-	(5,396)	-
The National Lottery (BBO-Digital Inclusion)	241	(74)	8,486	8,653
Hemby Trust	1,000	1,000	(1,000)	1,000
The Clothworkers	10,000	-	(10,000)	-
Sovini Restricted Donation	7,000	-	(7,000)	-
Help the Homeless	1,000	-	(1,000)	-
ESF Community Grants Programme	-	2,428	8,429	10,857
Sefton CVS	-	3,000	-	3,000
The National Lottery - Covid 19	-	31,338	(31,338)	-
Sefton MBC - Covid 19	-	10,000	(10,000)	-
Homeless Link - Covid 19	-	11,002	(11,002)	-
Crisis UK - Covid 19	-	4,200	(4,200)	-
Charitable Aid Foundation - Covid 19	-	7,914	(7,914)	-
Steve Morgan Foundation - Covid 19	-	-	-	-
Emergency Fund	-	(2,600)	2,600	-
Liverpool City Region	-	5,758	(4,275)	1,483
	<u>50,805</u>	<u>73,966</u>	<u>(99,778)</u>	<u>24,993</u>
TOTAL FUNDS	<u>240,062</u>	<u>96,801</u>	<u>-</u>	<u>336,863</u>

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	249,403	(226,568)	22,835
Restricted funds			
South Sefton Development Trust	227	(227)	-
The National Lottery (BBO-Digital Inclusion)	8,486	(8,560)	(74)
Hemby Trust	1,500	(500)	1,000
Lloyds Bank Foundation E&W	21,558	(21,558)	-
Steve Morgan Foundation	10,500	(10,500)	-
Liverpool CVS	2,000	(2,000)	-
MIND	18,060	(18,060)	-
ESF Community Grants Programme	8,428	(6,000)	2,428
Eleanor Rathbone	5,000	(5,000)	-
Sefton CVS	3,000	-	3,000
The National Lottery - Covid 19	31,338	-	31,338
Sefton MBC - Covid 19	10,000	-	10,000
Homeless Link - Covid 19	11,002	-	11,002
Crisis UK - Covid 19	4,200	-	4,200
Charitable Aid Foundation - Covid 19	7,914	-	7,914
Steve Morgan Foundation - Covid 19			
Emergency Fund	5,200	(7,800)	(2,600)
Liverpool City Region	5,758	-	5,758
	<u>154,171</u>	<u>(80,205)</u>	<u>73,966</u>
TOTAL FUNDS	<u><u>403,574</u></u>	<u><u>(306,773)</u></u>	<u><u>96,801</u></u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	40,286	125,595	2,600	168,481
Cessation fund	20,776	-	-	20,776
	<u>61,062</u>	<u>125,595</u>	<u>2,600</u>	<u>189,257</u>
Restricted funds				
Sefton DAAT - Capital	26,168	-	-	26,168
South Sefton Development Trust	5,396	-	-	5,396
The National Lottery (BBO-Digital Inclusion)	321	(80)	-	241
Hemby Trust	1,000	-	-	1,000
The Clothworkers	10,000	-	-	10,000
Sovini Restricted Donation	7,000	-	-	7,000
Help the Homeless	1,000	-	-	1,000
Steve Morgan Foundation	-	2,600	(2,600)	-
	<u>50,885</u>	<u>2,520</u>	<u>(2,600)</u>	<u>50,805</u>
TOTAL FUNDS	<u><u>111,947</u></u>	<u><u>128,115</u></u>	<u><u>-</u></u>	<u><u>240,062</u></u>

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	182,055	(210,377)	153,917	125,595
Restricted funds				
South Sefton Development Trust	4,378	(4,378)	-	-
The National Lottery (BBO-Digital Inclusion)	-	(80)	-	(80)
Lloyds Bank Foundation E&W	21,363	(21,363)	-	-
Steve Morgan Foundation	23,600	(21,000)	-	2,600
	<u>49,341</u>	<u>(46,821)</u>	<u>-</u>	<u>2,520</u>
TOTAL FUNDS	<u>231,396</u>	<u>(257,198)</u>	<u>153,917</u>	<u>128,115</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	40,286	148,430	102,378	291,094
Cessation fund	20,776	-	-	20,776
	<u>61,062</u>	<u>148,430</u>	<u>102,378</u>	<u>311,870</u>
Restricted funds				
Sefton DAAT - Capital	26,168	-	(26,168)	-
South Sefton Development Trust	5,396	-	(5,396)	-
The National Lottery (BBO-Digital Inclusion)	321	(154)	8,486	8,653
Hemby Trust	1,000	1,000	(1,000)	1,000
The Clothworkers	10,000	-	(10,000)	-
Sovini Restricted Donation	7,000	-	(7,000)	-
Help the Homeless	1,000	-	(1,000)	-
Steve Morgan Foundation	-	2,600	(2,600)	-
ESF Community Grants Programme	-	2,428	8,429	10,857
Sefton CVS	-	3,000	-	3,000
The National Lottery - Covid 19	-	31,338	(31,338)	-
Sefton MBC - Covid 19	-	10,000	(10,000)	-
Homeless Link - Covid 19	-	11,002	(11,002)	-
Crisis UK - Covid 19	-	4,200	(4,200)	-
Charitable Aid Foundation - Covid 19	-	7,914	(7,914)	-
Steve Morgan Foundation - Covid 19	-	-	-	-
Emergency Fund	-	(2,600)	2,600	-
Liverpool City Region	-	5,758	(4,275)	1,483
	<u>50,885</u>	<u>76,486</u>	<u>(102,378)</u>	<u>24,993</u>
TOTAL FUNDS	<u>111,947</u>	<u>224,916</u>	<u>-</u>	<u>336,863</u>

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	431,458	(436,945)	153,917	148,430
Restricted funds				
South Sefton Development Trust	4,605	(4,605)	-	-
The National Lottery (BBO-Digital Inclusion)	8,486	(8,640)	-	(154)
Hemby Trust	1,500	(500)	-	1,000
Lloyds Bank Foundation E&W	42,921	(42,921)	-	-
Steve Morgan Foundation	34,100	(31,500)	-	2,600
Liverpool CVS	2,000	(2,000)	-	-
MIND	18,060	(18,060)	-	-
ESF Community Grants Programme	8,428	(6,000)	-	2,428
Eleanor Rathbone	5,000	(5,000)	-	-
Sefton CVS	3,000	-	-	3,000
The National Lottery - Covid 19	31,338	-	-	31,338
Sefton MBC - Covid 19	10,000	-	-	10,000
Homeless Link - Covid 19	11,002	-	-	11,002
Crisis UK - Covid 19	4,200	-	-	4,200
Charitable Aid Foundation - Covid 19	7,914	-	-	7,914
Steve Morgan Foundation - Covid 19				
Emergency Fund	5,200	(7,800)	-	(2,600)
Liverpool City Region	5,758	-	-	5,758
	<u>203,512</u>	<u>(127,026)</u>	<u>-</u>	<u>76,486</u>
TOTAL FUNDS	<u>634,970</u>	<u>(563,971)</u>	<u>153,917</u>	<u>224,916</u>

14. RELATED PARTY DISCLOSURES

During the year a loan provided to the charity by key personnel was settled in full.

15. RESTRICTED FUNDS

Sefton DAAT - Capital Fund

This fund represents a grant awarded towards the cost of general capital expenditure. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased from this funding.

South Sefton Development Trust

This fund represents a capital grant from ESF. The grant was awarded to contribute towards the cost of the capital expenditure at the 1-2-1 Detox unit. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased.

The National Lottery (BBO - Digital Inclusion)

This fund relates to a project, jointly funded by the European Social Fund and the Big Lottery Fund as part of its 2014-2020 Building Better Opportunities Programme. It offers IT skills training and employment support for local, unemployed, people.

Steve Morgan Foundation

This fund represents a grant awarded to bring back a five working day week for staff and extend the service to Liverpool clients.

Lloyds TSB

The fund represents a grant towards the salaries of staff employed in the delivery of The Key - our transitional housing support.

15. RESTRICTED FUNDS - continued

Hemby Trust

This fund represents a capital grant. The grant was awarded to contribute towards the cost of the capital expenditure at the 1-2-1 Detox unit. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased.

The Clothworkers

This fund represents a capital grant. The grant was awarded to contribute towards the cost of the capital expenditure at the 1-2-1 Detox unit. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased.

Sovini Restricted Donation

This fund represents a restricted donation. The donation was awarded to contribute towards the cost of the capital expenditure at the 1-2-1 Detox unit. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased.

Help the Homeless

This fund represents a capital grant. The grant was awarded to contribute towards the cost of the capital expenditure at the 1-2-1 Detox unit. An amount is charged to the fund each year to reflect the movement in the net book value of the assets purchased.

MIND Corona Virus Mental Health Response C19

This fund represents a grant towards the cost of supporting our beneficiaries with their mental health needs during the Coronavirus pandemic.

ESF Community Grants - Workers Educational Association

This fund represents a grant that is helping many people in the Liverpool City Region who face additional barriers in the labour market to improve their employability and gain employment.

Eleanor Rathbone Trust

This fund represents a grant towards the costs of mentoring and support for our beneficiaries.

Sefton CVS

This fund represents a grant towards the cost of supporting our beneficiaries with their mental health needs during the Coronavirus pandemic, and as we look to come out of that period.

The National Lottery - Covid 19

This fund represents a grant to help support the costs of supporting our beneficiaries with all of their needs during the Coronavirus pandemic.

Sefton MBC - Covid 19

This fund represents a discretionary grant to help small businesses during the Coronavirus pandemic.

Homeless Link - Covid 19

This fund represents a grant to help alleviate the financial impact of COVID-19 on the organisation. This may be because of a reduction in actual or expected income this year, and/or as a result of higher costs that have been incurred or expected to incur as a result of providing services to beneficiaries as a direct result of the COVID-19 crisis, and to provide new or adapted services to homeless people affected by COVID-19.

Crisis UK - Covid 19

This fund represents a grant funding local organisations; enabling them to adapt their services and provide emergency solutions to meet the immediate needs of people experiencing homelessness during the Coronavirus pandemic.

Charitable Aid Foundation - Covid 19

This fund represents a grant to help charities during the Coronavirus pandemic.

Steve Morgan Foundation - Covid 19

This fund represents a grant that allows us to focus on the vital work of supporting some of the most vulnerable people in our communities during the Coronavirus pandemic.

15. RESTRICTED FUNDS - continued

Liverpool City Region

A grant awarded towards the cost of setting up a community garden on Balliol Road, Bootle. The project will allow for the planting of a fruit hedge, the design of raised flower beds and tree seats, planting of a vegetable garden and set up of a water capture system.

AB Charitable

This fund represents a grant towards a pilot scheme of working with people released from prison that improves the likelihood of them remaining in stable accommodation beyond the first month.

Hemby Trust

This fund represents a capital grant. The grant was awarded to contribute to the cost of Capital expenditure at The Key at Balliol Road.

16. UNRESTRICTED FUNDS

The general (unrestricted) fund may be used at the discretion of the board of trustees in furtherance of the charitable company's objects.

TRANSFERS

There was a transfer between the General fund and the Steve Morgan Foundation. This represented expenditure incurred by the General fund which relates to the Steve Morgan Foundation.

There have been transfers from restricted funds to the unrestricted general fund which represents fully expended capital grants received in earlier years. The property was revalued in the year to 31 March 2020, and is held as an asset in the general fund.

Amounts transferred from the general fund to individual restricted funds, represents expenditure incurred by the general fund that had been approved to be spent against restricted grants.

Amounts transferred from general fund to restricted funds to cover amounts expended within the year.

17. DESIGNATED FUND

The cessation fund was set aside by the charity trustees/directors in the event of the charity winding up its activities. The amount designated is an estimate of the additional costs that would be incurred upon cessation.

Independence Initiative Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	240	1,340
Grants	169,170	89,270
CJRS Grant	63,004	-
	<u>232,414</u>	<u>90,610</u>
Investment income		
Deposit account interest	2	-
Charitable activities		
Other income	16,081	5,001
Residents housing benefit	155,077	135,785
	<u>171,158</u>	<u>140,786</u>
Total incoming resources	403,574	231,396
EXPENDITURE		
Charitable activities		
Wages	167,888	160,625
Social security	9,024	8,777
Pensions	1,633	1,518
Rent	36,989	30,162
Insurance	4,590	4,243
Telephone	5,781	3,171
Postage and stationery	4,220	2,164
Sundries	13	-
General expenses	6,293	4,198
Travel	567	607
Cleaning and security	3,913	6,333
Building repairs & maintenance	13,152	4,803
Professional costs	3,196	1,500
Subscriptions	96	142
Water Rates	3,280	4,348
General Rates	9,649	6,643
Heat & Light	14,322	8,804
Subcontractors	15,698	6,102
Unrecovered top up rent	1,780	-
Depreciation of freehold property	(500)	500
Depreciation of fixtures & fittings	74	99
Depreciation of motor vehicles	250	-
Depreciation of computer equipment	1,018	-
	<u>302,926</u>	<u>254,739</u>
Support costs		
Finance		
Bank charges	882	1,703

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Independence Initiative Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
Finance		
Governance costs		
Trustees' expenses	-	31
Independent examination	<u>2,965</u>	<u>725</u>
	<u>2,965</u>	<u>756</u>
Total resources expended	<u>306,773</u>	<u>257,198</u>
Net income/(expenditure)	<u><u>96,801</u></u>	<u><u>(25,802)</u></u>

This page does not form part of the statutory financial statements