

Charity

Charity registration number 1121499

Company registration number 05524738 (England and Wales)

**ADHAR PROJECT**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# ADHAR PROJECT

## LEGAL AND ADMINISTRATIVE INFORMATION

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|--|---|
| <b>Trustees</b>                                    | D Patel   |
|  | H Manjothi (Treasurer)  |
|  | P Kothari (Chairperson)   |
|  | R Martin  |
|  | S Sang  |
| <b>Secretary</b>                                   | H Sandhu  |
| <b>Charity number</b>                              | 1121499   |
| <b>Company number</b>                              | 05524738  |
| <b>Principal address<br/>and registered office</b> | 79 St Peter's Road<br>Leicester<br>LE2 1DH  |
| <b>Independent examiner</b>                        | Thomas Mayfield BA ACA<br>Mayfield & Co (Accountants) Ltd<br>2 Merus Court<br>Meridian Business Park<br>Leicester<br>LE19 1RJ |
| <b>Bankers</b>                                     | CAF Bank<br>25 Kings Hill Avenue<br>West Malling<br>Kent<br>ME19 4JQ  |

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# **ADHAR PROJECT**

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# **ADHAR PROJECT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

We provide a range of mental health support services primarily but not exclusively to Black, Asian Minority Ethnic communities including, talking therapies CBT and counselling, welfare benefits, employment support during the CRF funding which was for 6 months and our role was to provide therapeutic interventions to build confidence and resilience to help individuals on their journey into employment.

Adhar charity exists to promote health and wellbeing, to challenge the stigma and discrimination experienced by those with common and enduring mental health problems primarily in the BAME communities. We offer gender appropriate and safe support services in the community and aim to make those as accessible and welcoming for the diverse and multi faith communities. We promote independence and take action to empower, promote policy and good practice to meet the needs of adults with mental health problems.

#### **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 our future activities.

The charity believes it has provided a public benefit during the year through the areas outlined in sections further on.

As, trustees we take our charitable role very seriously and the charity works hard to make sure that it provides charitable services that are socially inclusive.

#### **Achievements and performance**

1. A number of achievements this year, all the targets have been met and we have delivered more workshops and events which have led to many clients reporting improved mental health and these have also been reflected in the evaluations and reports to funders.
2. We did not achieve the work we intended to under take with offenders as the G4 group decided not to fund because their progress on the new prison was delayed. We decided if available next year we will pursue again. We have achieved sub contract withing a secure facility and are currently doing the due dilligence.
3. We have achieved successful completion of a number of funding application and are awaiting so will report more on this area of achievement next financial year 2023/24. We have achieved the purchase of the minibus this has added value to the service and reduced a number of transport tensions.
4. We have achieved supporting a larger number of service users at our Charnwood groups which have proven very successful and at the last count numbers were nearing over 70, this was due to the promotion and marketing by Jetpack and our staff. We believe this success hopefully will lead to another years of funding.

This year has had a number of challenges and the recent passing of our Vice Chair has left a gap on the board as she was such a active and dedicated trustee who not only supported the board but also will be greatly missed by the patients and staff.

We are very aware that sustainability of these services will need to be stepped up and we are making provisional plans for further sustainability funding other then what has been already achieved through securing some from Lloyds Foundation.

# **ADHAR PROJECT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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We have also managed to support a number of students for work experience and have recruited more new volunteers over the past 12 months.

We will outline our future plans in this are further on in the trustee report.

As a service user led board we are aware that targets have to be realistic and achievable as last year we hoped to develop a telephone helpline and then realised the costs and ongoing staffing costs were too much for a project the size of ours to sustain. The pilot proved successful but despite this additional funding was not available.

As chair, I would on behalf of the board of trustees wish to thank our CEO and the staff for their continuing dedication and this includes the newer staff who have joined us, that their determination to continue to work has helped over 400 individuals with mental health problems and their families and helped to resolve a range of social care problems individuals experience from welfare benefits, employment support, talking therapies and housing. We have had very positive feedback from most of the clients as is shown in our evaluations feedback forms.

We would also wish to thank WEA and their tutors for the sessions delivered and other external contractors who have provided a range of activities that have and are greatly benefiting many of the service users.

#### **Financial review**

Adhar has against the backdrop of the pandemic, of limited resources and the increasing demands on the services, and insecurities over funding, continued to find it difficult to plan or develop services. Nevertheless the charity, with the aid of sound financial management and the support of both its staff and volunteers generated a very positive financial outcome and exceeded its targets.

The Charity's financial position can be found in the Statement of Financial Activities on page 7 and the Balance Sheet on page 9.

The charity reported total income of £632,584 and expenditure of £296,486. Thus reporting a surplus for the year of £336,098.

This may report a slightly misleading position as £3000,000 came via a Community Asset Transfer from the Leicester City Council.

At the year end we had reserves of £452,039 split between:

Unrestricted funds general of £29,421  
Unrestricted funds designated of £64,655  
Restricted Funds of £57,963  
Endowment funds of £300,000

# **ADHAR PROJECT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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#### **Reserves Policy**

The reserves as at the year ended 31 March 2023 stood at £452,039, which is significantly up from the previous year's reserves of £115,941. This is mainly due to the inclusion of the property endowment of £300,000 in respect of 79 St Peters Road.

Our free reserves - the unrestricted funds and designated funds stood at £29,421 and £64,655 respectively. So these total £94,076.

However, the designated costs are there to cover the van and any wear and tear issues plus depreciation.

The designated funds also covers our dilapidation strategy for the building as we are conscious ongoing repairs and maintenance have become more costly.

The Permanent Endowment is unavailable to the trustees to realise as it is a Community Asset Transfer.

The trustees aim to build sufficient reserves to enable them to maintain reserves in excess of six months "normal costs". The trustees estimate normal ongoing annual costs to be between £200,000 and £300,000. Therefore they are not content with the level of reserves as at the 31 March 2023.

#### **Principal Funding Sources**

Lloyds Foundation

Big Lottery

Leicestershire Rutland Foundation

Ubele

Awards for All

Direct payments/personal budgets (ongoing)

All those others who have supported us through donations

#### **Risk Management Policies**

The Management Committee together with the staff has conducted a review of the major risks to which the charity is exposed. Where resources permitting systems or procedures have been established to mitigate the risks the charity faces and a reserves policy was agreed at a management committee meeting. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedural policies are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project.

#### **Plans for future periods**

We have engaged external consultants funded by the Lloyds Foundation to assist us in our long-term planning and sustainability.

The outcome of this planning process will be available in 2023-23 when the work will be concluded. At this stage we will be able to report on the recommendations and plan appropriately for the future.

We have also managed to support a number of students for work experience and have recruited more new volunteers over the last 12 months as articulated in our achievements and performance section.

Our plan is to:

1. To develop a 5 year business plan/ Strategy that sets out our direction for the coming few years.
2. To increase the therapeutic services .
3. To obtain more infrastructure funding including capital for the building
4. Create a realistic budget for staff training and development
5. Marketing and IT support package .
6. To look into some kite marks such as investors in people

# **ADHAR PROJECT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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#### **Structure, governance and management**

Adhar Project is a Charitable Company limited by guarantee, Incorporated on 5th August 2005 and re-registered as a charity in January 2008. The organisation was established under a Memorandum of Association which established the objectives and powers of the Charitable Company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Patel

H Manjothi (Treasurer)

P Kothari (Chairperson)

R Martin

S Sang

The staff team as on the 31 March 2023 were:

Ms. Harjit Sandhu - CEO

Mrs Susan Brennan - Advocacy Manager

Mrs. Ushma Joshi – Service Co-ordinator

Mr Rana Rajput – Team Leader/DBT therapist

Miss Sophie Nash - Administrator

Najma Aziz - Counsellor

Aisha Docrat - Snr CBT Psychotherapist

Swati Mistry - Support Worker

Ricki Kothari – Support Worker

Sumaya Bhatta - Office Cleaner

Anil Khaira – Driver/Support Worker

Alfreka Davis - Student Psychologist

#### **Appointment of Management Committee**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve and are routinely re-elected.

Due to the nature of mental health much of the charity's work inevitably focuses upon BAME people with complex and enduring mental health difficulties. The management committee seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body.

To enhance the organisations work service users and carers are on the management committee.

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

## **ADHAR PROJECT**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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#### **Organisation**

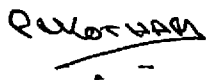
Adhar Project has a Management Committee who meet quarterly and support the manager and external consultants for the strategic direction and policy of the charity.

At present the Committee has nine members from a variety of backgrounds relevant to the work of the charity. The day to day responsibility for the provision of the services rests with the CEO along with the Finance and Administration staff.

The CEO is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

The CEO has responsibility for the day to day operational management of Adhar, individual supervision except for the therapists as they have external clinical supervision of the staff team and also ensuring that the team continues to develop their skills and working practices in line with good practice.

On behalf of the board of trustees



P Kothari (Chairperson)  
**Trustee**

24 August 2023



# ADHAR PROJECT

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ADHAR PROJECT

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I report to the trustees on my examination of the financial statements of ADHAR PROJECT (the charity) for the year ended 31 March 2023.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

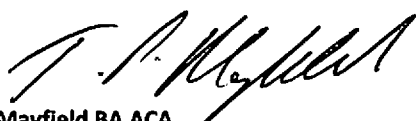
### Independent examiner's statement

Since the charity'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 Institute of Chartered Accountants in England & Wales (ICAEW), 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Thomas Mayfield BA ACA

Mayfield & Co (Accountants) Ltd  
2 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

Dated: 24 August 2023

## ADHAR PROJECT

### STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

|  |       | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Endowment<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>general<br>2022<br>£ | Unrestricted<br>funds<br>designated<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|--|-------|---|--|----------------------------------|---------------------------------|--------------------|---|--|----------------------------------|--------------------|
|  | Notes |   |  |                                  |                                 |                    |   |  |                                  |                    |
| <b>Income from:</b>                              |       |   |  |                                  |                                 |                    |   |  |                                  |                    |
| Donations and legacies                           | 3     | 4,296   | -  | 221,780                          | 300,000                         | 526,076            | 9,752   | -  | 265,667                          | 275,419            |
| Charitable activities                            | 4     | 106,256                                       | -  | -                                | -                               | 106,256            | 102,618                                       | -  | -                                | 102,618            |
| Investments                                      | 5     | 252   | -  | -                                | -                               | 252                | -   | -  | -                                | -                  |
| <b>Total income and endowments</b>               |       | <b>110,804</b>                                | <b>-</b>   | <b>221,780</b>                   | <b>300,000</b>                  | <b>632,584</b>     | <b>112,370</b>                                | <b>-</b>   | <b>265,667</b>                   | <b>378,037</b>     |
| <b>Expenditure on:</b>                           |       |   |  |                                  |                                 |                    |   |  |                                  |                    |
| Charitable activities                            | 6     | 113,142                                       | 345  | 182,999                          | -                               | 296,486            | 87,286  | 5,017  | 312,089                          | 404,392            |
| <b>Net (expenditure)/Income before transfers</b> |       | <b>(2,338)</b>                                | <b>(345)</b>                                     | <b>38,781</b>                    | <b>300,000</b>                  | <b>336,098</b>     | <b>25,084</b>                                 | <b>(5,017)</b>                                   | <b>(46,422)</b>                  | <b>(26,355)</b>    |
| Gross transfers between funds                    |       | (15,500)                                      | 15,000   | 500                              | -                               | -                  | (10,017)                                      | 10,017   | -                                | -                  |
| <b>Net movement in funds</b>                     |       | <b>(17,838)</b>                               | <b>14,655</b>                                    | <b>39,281</b>                    | <b>300,000</b>                  | <b>336,098</b>     | <b>15,067</b>                                 | <b>5,000</b>                                     | <b>(46,422)</b>                  | <b>(26,355)</b>    |
| Fund balances at 1 April 2022                    |       | 46,959  | 50,000   | 18,982                           | -                               | 115,941            | 31,892  | 45,000   | 65,404                           | 142,296            |
| <b>Fund balances at 31 March 2023</b>            |       | <b>29,121</b>                                 | <b>64,655</b>                                    | <b>58,263</b>                    | <b>300,000</b>                  | <b>452,039</b>     | <b>46,959</b>                                 | <b>50,000</b>                                    | <b>18,982</b>                    | <b>115,941</b>     |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

## ADHAR PROJECT

### SUMMARY INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

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|  | <b>All income funds</b> |                 |
|--|-------------------------|-----------------|
|  | <b>2023</b>             | <b>2022</b>     |
|  | <b>£</b>                | <b>£</b>        |
| Gross income                                 | 332,584                 | 378,037         |
| Total expenditure from income funds          | 296,486                 | 404,392         |
| <b>Net income/(expenditure) for the year</b> | <b>36,098</b>           | <b>(26,355)</b> |

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# ADHAR PROJECT

## BALANCE SHEET

AS AT 31 MARCH 2023

|   | Notes | 2023<br>£      | £              | 2022<br>£      | £              |
|---|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Tangible assets                                       | 11    |                | 320,355        |                | -              |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors   | 12    | 26,156         |                | 35,584         |                |
| Cash at bank and in hand                              |       | 120,038        |                | 111,229        |                |
|   |       | <u>146,194</u> |                | <u>146,813</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 13    | (14,510)       |                | (30,872)       |                |
| Net current assets                                    |       |                | 131,684        |                | 115,941        |
| <b>Total assets less current liabilities</b>          |       |                | <u>452,039</u> |                | <u>115,941</u> |
| <b>Capital funds</b>                                  |       |                |                |                |                |
| Endowment funds                                       | 14    |                | 300,000        |                | -              |
| <b>Income funds</b>                                   |       |                |                |                |                |
| Restricted funds                                      | 16    |                | 58,263         |                | 18,982         |
| <u>Unrestricted funds</u>                             |       |                |                |                |                |
| Designated funds                                      | 17    | 64,655         |                | 50,000         |                |
| General unrestricted funds                            | 15    | 29,121         |                | 46,959         |                |
|   |       | <u></u>        | 93,776         | <u></u>        | 96,959         |
|   |       |                | <u>452,039</u> |                | <u>115,941</u> |

## **ADHAR PROJECT**

### **BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2023**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

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

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

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

The financial statements were approved by the Trustees on 24 August 2023

**HAMIDABAU**

H Manjothi (Treasurer)

Trustee

Company registration number 05524738

# ADHAR PROJECT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

|   | Notes | 2023<br>£ | £        | 2022<br>£ | £        |
|---|-------|-----------|----------|-----------|----------|
| <b>Cash flows from operating activities</b>                 |       |           |          |           |          |
| Cash generated from/(absorbed by) operations                | 20    |           | 29,257   |           | (62,144) |
| <b>Investing activities</b>                                 |       |           |          |           |          |
| Purchase of tangible fixed assets                           |       | (20,700)  |          | -         |          |
| Investment income received                                  |       | 252       |          | -         |          |
| <b>Net cash used in investing activities</b>                |       |           | (20,448) |           | -        |
| <b>Net cash used in financing activities</b>                |       |           | -        |           | -        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 8,809    |           | (62,144) |
| Cash and cash equivalents at beginning of year              |       |           | 111,229  |           | 173,373  |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 120,038  |           | 111,229  |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

ADHAR PROJECT is a private company limited by guarantee incorporated in England and Wales. The registered office is 79 St Peter's Road, Leicester, LE2 1DH.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

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

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to the spending restrictions imposed by the fund provider.

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

##### 1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

##### Expenditure and Liabilities

Liability recognition – Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

##### Governance costs

Includes costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

#### 1.6 Tangible fixed assets

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

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

|                    |  |
|--------------------|--|
| Land and buildings | Nil in year of acquisition 4% per annum thereafter |
| Motor vehicles     | 10% per annum reducing balance basis               |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

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

#### 1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measures at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

##### ***Basic financial assets***

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



# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

#### 1.10 Employee benefits

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

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

#### 1.11 Retirement benefits

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

#### 2 Critical accounting estimates and judgements

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

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

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 3 Donations and legacies

|   | Unrestricted<br>funds<br>general | Restricted<br>funds | Endowment<br>funds | Total          | Unrestricted<br>funds<br>general | Restricted<br>funds | Total          |
|---|----------------------------------|---------------------|--------------------|----------------|----------------------------------|---------------------|----------------|
|   | 2023                             | 2023                | 2023               | 2023           | 2022                             | 2022                | 2022           |
|   | £                                | £                   | £                  | £              | £                                | £                   | £              |
| Donations and gifts                     | 2,046                            | -                   | 300,000            | 302,046        | 4,952                            | -                   | 4,952          |
| Grants receivable                       | 2,250                            | 221,780             | -                  | 224,030        | 4,800                            | 265,667             | 270,467        |
|   | <u>4,296</u>                     | <u>221,780</u>      | <u>300,000</u>     | <u>526,076</u> | <u>9,752</u>                     | <u>265,667</u>      | <u>275,419</u> |
| <b>Donations and gifts</b>              |                                  |                     |                    |                |                                  |                     |                |
| Donations and other income              | 2,046                            | -                   | -                  | 2,046          | 4,952                            | -                   | 4,952          |
| Leicester City Council (Asset Transfer) | -                                | -                   | 300,000            | 300,000        | -                                | -                   | -              |
|   | <u>2,046</u>                     | <u>-</u>            | <u>300,000</u>     | <u>302,046</u> | <u>4,952</u>                     | <u>-</u>            | <u>4,952</u>   |

The donation in respect of the permanent endowment relates to a community asset transfer from Leicester City Council in respect of the property 79 St Peters Road, Leicester. The property has been independently valued at £300,000 as of the date of transfer.

## ADHAR PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

| 3  | Donations and legacies |         |       |         |       | (Continued) |         |
|--|------------------------|---------|-------|---------|-------|-------------|---------|
| Grants receivable for core activities          |                        |         |       |         |       |             |         |
| Leicester City Football Club                   | -                      | -       | -     | -       | -     | 30,000      | 30,000  |
| CRF Positive Communities Grant                 | -                      | 23,960  | -     | 23,960  | -     | 17,730      | 17,730  |
| Big Lottery Community Fund                     | -                      | 96,100  | -     | 96,100  | -     | 56,324      | 56,324  |
| EDF Funding (Ubele)                            | -                      | 18,670  | -     | 18,670  | -     | 10,330      | 10,330  |
| Awards for all                                 | -                      | -       | -     | -       | -     | 10,000      | 10,000  |
| Health Education England                       | -                      | -       | -     | -       | -     | 64,651      | 64,651  |
| Big Lottery Building Better Opportunities Fund | -                      | -       | -     | -       | -     | 52,119      | 52,119  |
| LLR Community Foundation                       | -                      | 39,300  | -     | 39,300  | 4,800 | -           | 4,800   |
| Lloyds Foundation Trust                        | 2,250                  | 43,750  | -     | 46,000  | -     | 24,513      | 24,513  |
|  | <hr/>                  | <hr/>   | <hr/> | <hr/>   | <hr/> | <hr/>       | <hr/>   |
|  | 2,250                  | 221,780 | -     | 224,030 | 4,800 | 265,667     | 270,467 |
|  | <hr/>                  | <hr/>   | <hr/> | <hr/>   | <hr/> | <hr/>       | <hr/>   |

## ADHAR PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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#### **4 Charitable activities**

|                                | Unrestricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ |
|--------------------------------|------------------------------------|------------------------------------|
| Personal Direct Payments (PDP) | 106,256                            | 102,618                            |

#### **5 Investments**

|                     | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>general<br>2022<br>£ |
|---------------------|---|---|
| Interest receivable | 252   | -   |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 6 Charitable activities

|   | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|---|------------------------------------|----------------------------------|--------------------|--------------------|
| Staff costs                             | 38,281                             | 105,334                          | 143,615            | 216,312            |
| Depreciation and impairment             | 345                                | -                                | 345                | -                  |
| Group activities and incidents          | 10,156                             | 11,684                           | 21,840             | 17,727             |
| Staff travel                            | 249                                | -                                | 249                | 636                |
| Equipment purchases                     | -                                  | 1,816                            | 1,816              | 7,225              |
| Stationery, printing and postage        | 441                                | 769                              | 1,210              | 2,291              |
| Telephone                               | 858                                | 1,300                            | 2,158              | 8,811              |
| Miscellaneous including hospitality     | 164                                | 91                               | 255                | (116)              |
| Subscriptions and publications          | 131                                | 20                               | 151                | 212                |
| HRM, Conference and Training            | -                                  | 8,256                            | 8,256              | 5,620              |
| Bad Debts                               | 2,333                              | -                                | 2,333              | 2,445              |
| Advertising & publicity                 | -                                  | 3,600                            | 3,600              | -                  |
| Repairs and renewals                    | -                                  | 2,297                            | 2,297              | -                  |
|   | <u>52,958</u>                      | <u>135,167</u>                   | <u>188,125</u>     | <u>261,163</u>     |
| Share of support costs (see note 7)     | 40,905                             | 26,258                           | 67,163             | 82,124             |
| Share of governance costs (see note 7)  | 19,624                             | 21,574                           | 41,198             | 61,105             |
|   | <u>113,487</u>                     | <u>182,999</u>                   | <u>296,486</u>     | <u>404,392</u>     |
| <b>Analysis by fund</b>                 |                                    |                                  |                    |                    |
| Unrestricted funds - general            | 113,142                            | -                                | 113,142            | 87,286             |
| Unrestricted funds - designated         | 345                                | -                                | 345                | 5,017              |
| Restricted funds                        | -                                  | 182,999                          | 182,999            | 312,089            |
|   | <u>113,487</u>                     | <u>182,999</u>                   | <u>296,486</u>     | <u>404,392</u>     |
| <b>For the year ended 31 March 2022</b> |                                    |                                  |                    |                    |
| Unrestricted funds - general            | 87,286                             | -                                |                    | 87,286             |
| Unrestricted funds - designated         | 5,017                              | -                                |                    | 5,017              |
| Restricted funds                        | -                                  | 312,089                          |                    | 312,089            |
|   | <u>92,303</u>                      | <u>312,089</u>                   |                    | <u>404,392</u>     |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 7 Support costs

|                              | Support costs | Governance costs | 2023           | Support costs | Governance costs | 2022           |
|------------------------------|---------------|------------------|----------------|---------------|------------------|----------------|
|                              | £             | £                | £              | £             | £                | £              |
| Staff costs                  | 35,789        | 20,851           | 56,640         | 50,813        | 30,755           | 81,568         |
| Consultancy fees             | -             | -                | -              | 8,200         | -                | 8,200          |
| Repairs and renewals         | -             | -                | -              | 655           | -                | 655            |
| Premises costs               | 23,623        | -                | 23,623         | 15,596        | -                | 15,596         |
| Insurance                    | 1,481         | -                | 1,481          | 1,335         | -                | 1,335          |
| Legal and professional fees  | 6,270         | -                | 6,270          | 5,525         | -                | 5,525          |
| Audit fees                   | -             | 2,520            | 2,520          | -             | 2,400            | 2,400          |
| Accounting and payroll costs | -             | 17,750           | 17,750         | -             | 27,850           | 27,850         |
| Bank Charges                 | -             | 77               | 77             | -             | 100              | 100            |
|                              | <u>67,163</u> | <u>41,198</u>    | <u>108,361</u> | <u>82,124</u> | <u>61,105</u>    | <u>143,229</u> |
| Analysed between             |               |                  |                |               |                  |                |
| Charitable activities        | <u>67,163</u> | <u>41,198</u>    | <u>108,361</u> | <u>82,124</u> | <u>61,105</u>    | <u>143,229</u> |

Governance costs includes payments to the independent examiners of £2,520 (2022- £2,400) for examination fees.

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. (2022- one trustee was reimbursed a total of £245 for travelling expenses).

#### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 10 Employees

The average monthly number of employees during the year was:

|                  | 2023<br>Number | 2022<br>Number |
|------------------|----------------|----------------|
| Service Delivery | 6              | 8              |
| Support Costs    | 1              | 1              |
| Governance       | 1              | 1              |
| Total            | <u>8</u>       | <u>10</u>      |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 10 Employees (Continued)

| Employment costs    | 2023<br>£      | 2022<br>£      |
|---------------------|----------------|----------------|
| Wages and salaries  | 193,690        | 287,130        |
| Other pension costs | 6,565          | 10,750         |
|                     | <u>200,255</u> | <u>297,880</u> |

No employee is allocated entirely to either governance or support costs: an assessment of part of each employee's involvement in governance or support costs has been used as the basis for determining the above apportionment of costs.

The number of employees whose annual remuneration was £60,000 or more were:

|                       | 2023<br>Number | 2022<br>Number |
|-----------------------|----------------|----------------|
| Band 70,001 to 80,000 | -              | 1              |

#### 11 Tangible fixed assets

|                                    | Land and<br>buildings<br>£ | Motor vehicles<br>£ | Total<br>£     |
|------------------------------------|----------------------------|---------------------|----------------|
| <b>Cost</b>                        |                            |                     |                |
| Additions                          | 300,000                    | 20,700              | 320,700        |
| At 31 March 2023                   | <u>300,000</u>             | <u>20,700</u>       | <u>320,700</u> |
| <b>Depreciation and impairment</b> |                            |                     |                |
| Depreciation charged in the year   | -                          | 345                 | 345            |
| At 31 March 2023                   | <u>-</u>                   | <u>345</u>          | <u>345</u>     |
| <b>Carrying amount</b>             |                            |                     |                |
| At 31 March 2023                   | <u>300,000</u>             | <u>20,355</u>       | <u>320,355</u> |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Debtors

|                                      | 2023          | 2022          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Amounts falling due within one year: |               |               |
| Trade debtors                        | 18,087        | 29,167        |
| Other debtors                        | -             | 5,580         |
| Prepayments and accrued income       | 8,069         | 837           |
|                                      | <u>26,156</u> | <u>35,584</u> |

### 13 Creditors: amounts falling due within one year

|                                    | 2023          | 2022          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Other taxation and social security | 3,714         | 3,525         |
| Trade creditors                    | 7,154         | 4,728         |
| Other creditors                    | 1,242         | 20,219        |
| Accruals and deferred income       | 2,400         | 2,400         |
|                                    | <u>14,510</u> | <u>30,872</u> |

### 14 Permanent Endowment

|               | Movement in funds          |                |                             |
|---------------|----------------------------|----------------|-----------------------------|
|               | Balance at<br>1 April 2022 | Income         | Balance at<br>31 March 2023 |
|               | £                          | £              | £                           |
| Property Fund | -                          | 300,000        | 300,000                     |
|               | <u>-</u>                   | <u>300,000</u> | <u>300,000</u>              |

The permanent endowment is due to the charitable company receiving a property as a community asset transfer. The property is 79 St Peters Road, Leicester.

The property has been independently valued at £300,000 as of the date of the community asset transfer.



## ADHAR PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

##### 15 Unrestricted funds

These are unrestricted funds which are material to the charity's activities made up as follows:

|                     | Balance at<br>1 April 2021 | Movement in funds |                  |                | Balance at<br>1 April 2022 | Movement in funds |                  |                | Balance at<br>31 March 2023 |
|---------------------|----------------------------|-------------------|------------------|----------------|----------------------------|-------------------|------------------|----------------|-----------------------------|
|                     | £                          | Income<br>£       | Expenditure<br>£ | Transfers<br>£ | £                          | Income<br>£       | Expenditure<br>£ | Transfers<br>£ | £                           |
| Own Funds           | -                          | 1,754             | (7,062)          | 5,308          | -                          | 2,298             | (78)             | -              | 2,220                       |
| Other Projects      | 20,537                     | 2,000             | (2,445)          | (5,308)        | 14,784                     | -                 | (6,334)          | -              | 8,450                       |
| P & D P Services    | 2,504                      | 94,656            | (66,245)         | (9,667)        | 21,248                     | 94,041            | (97,728)         | -              | 17,561                      |
| County PDP Services | 8,695                      | 13,960            | (11,839)         | (350)          | 10,466                     | 11,945            | (6,680)          | (15,500)       | 231                         |
| COVID Support       | 156                        | -                 | 305              | -              | 461                        | -                 | (461)            | -              | -                           |
| Sturdee Hospital    | -                          | -                 | -                | -              | -                          | 2,520             | (1,861)          | -              | 659                         |
|                     | <u>31,892</u>              | <u>(112,370)</u>  | <u>(87,286)</u>  | <u>10,017</u>  | <u>46,959</u>              | <u>(110,804)</u>  | <u>(113,142)</u> | <u>15,500</u>  | <u>29,121</u>               |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                        | Movement in funds          |                |                  |           | Movement in funds          |                |                  |            |                             |
|------------------------|----------------------------|----------------|------------------|-----------|----------------------------|----------------|------------------|------------|-----------------------------|
|                        | Balance at<br>1 April 2021 | Income         | Expenditure      | Transfers | Balance at<br>1 April 2022 | Income         | Expenditure      | Transfers  | Balance at<br>31 March 2023 |
|                        | £                          | £              | £                | £         | £                          | £              | £                | £          | £                           |
| Mental Health Advocacy | (210)                      | 18,263         | (19,231)         | 1,178     | -                          | -              | -                | -          | -                           |
| Mental Health Recovery | 60,263                     | 56,324         | (117,037)        | -         | (450)                      | 96,100         | (96,150)         | 500        | -                           |
| BBO                    | (394)                      | 52,119         | (52,725)         | 1,000     | -                          | -              | -                | -          | -                           |
| LPCC-MOJ               | 4,291                      | -              | (150)            | (1,178)   | 2,963                      | -              | (2,963)          | -          | -                           |
| CYP-NHS                | 1,454                      | 64,651         | (62,305)         | (1,000)   | 2,800                      | -              | (2,800)          | -          | -                           |
| LCFC                   | -                          | 30,000         | (25,000)         | -         | 5,000                      | -              | (3,900)          | -          | 1,100                       |
| CRF                    | -                          | 17,730         | (21,690)         | -         | (3,960)                    | 23,960         | (20,000)         | -          | -                           |
| EDF/LLR                | -                          | 10,330         | (7,500)          | -         | 2,830                      | 57,970         | (50,100)         | -          | 10,700                      |
| AWARDS FOR ALL         | -                          | 10,000         | (6,451)          | -         | 3,549                      | -              | (2,346)          | -          | 1,203                       |
| Lloyds Foundation      | -                          | 6,250          | -                | -         | 6,250                      | 43,750         | (4,740)          | -          | 45,260                      |
|                        | <u>65,404</u>              | <u>265,667</u> | <u>(312,089)</u> | <u>-</u>  | <u>18,982</u>              | <u>221,780</u> | <u>(182,999)</u> | <u>500</u> | <u>58,263</u>               |

## ADHAR PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

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#### 17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

|                    | Balance at<br>1 April 2021 | Expenditure    | Transfers     | Balance at<br>1 April 2022 | Expenditure  | Transfers     | Balance at<br>31 March 2023 |
|--------------------|----------------------------|----------------|---------------|----------------------------|--------------|---------------|-----------------------------|
|                    | £                          | £              | £             | £                          | £            | £             | £                           |
| Property Funds     | 20,000                     | (4,667)        | 9,667         | 25,000                     | -            | 15,000        | 40,000                      |
| Transport<br>Funds | 25,000                     | (350)          | 350           | 25,000                     | (345)        | -             | 24,655                      |
|                    | <u>45,000</u>              | <u>(5,017)</u> | <u>10,017</u> | <u>50,000</u>              | <u>(345)</u> | <u>15,000</u> | <u>64,655</u>               |

## ADHAR PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 18 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>2023<br>£ | Designated<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Endowment<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>Funds<br>2022<br>£ | Designated<br>Funds<br>2022<br>£ | Restricted<br>Funds<br>2022<br>£ | Total<br>2022<br>£ |
|--|------------------------------------|----------------------------------|----------------------------------|---------------------------------|--------------------|------------------------------------|----------------------------------|----------------------------------|--------------------|
| Fund balances at 31 March 2023 are represented by: |                                    |                                  |                                  |                                 |                    |                                    |                                  |                                  |                    |
| Tangible assets                                    | -                                  | 20,355                           | -                                | 300,000                         | 320,355            | -                                  | -                                | -                                | -                  |
| Current assets/(liabilities)                       | 29,121                             | 44,300                           | 58,263                           | -                               | 131,684            | 46,959                             | 50,000                           | 18,982                           | 115,941            |
|  | <u>29,121</u>                      | <u>64,655</u>                    | <u>58,263</u>                    | <u>300,000</u>                  | <u>452,039</u>     | <u>46,959</u>                      | <u>50,000</u>                    | <u>18,982</u>                    | <u>115,941</u>     |

# ADHAR PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 19 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

|                        | 2023<br>£ | 2022<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 52,127    | 76,888    |

#### 20 Cash generated from operations

|   | 2023<br>£ | 2022<br>£ |
|---|-----------|-----------|
| Surplus/(deficit) for the year                                    | 336,098   | (26,355)  |
| Adjustments for:  |           |           |
| Investment income recognised in statement of financial activities | (252)     | -         |
| Endowment property valuation                                      | (300,000) | -         |
| Depreciation and impairment of tangible fixed assets              | 345       | -         |
| Movements in working capital:                                     |           |           |
| Decrease in debtors   | 9,428     | 20,249    |
| (Decrease) in creditors   | (16,362)  | (56,038)  |
| Cash generated from/(absorbed by) operations                      | 29,257    | (62,144)  |

Note the charitable company received a property as a community asset transfer.

The property has been valued at £300,000 as part of the community asset transfer.

However, this does not form part of the cash flow analysis as the charity did not physically pay the £300,000.

#### 21 Analysis of changes in net funds

The charity had no debt during the year.