

HPH

Company Number 3495233

DIRECT HELP & ADVICE LTD.

**A company limited by guarantee
and
a registered charity no. 1073231**

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 March 2016

**HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ**

DIRECT HELP & ADVICE LTD.

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Directors and Trustees have pleasure in presenting their Report and the audited Financial Statements of the charitable company for the year ended 31 March 2016.

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

The charity is a Public Benefit Entity.

Chair's report – year to March 2016

This has been a good year for DHA in many ways. Highlights are plentiful – Training & Communities – the flagship of our training facility, saw over 2,700 learners compared to 645 the year prior. Targets for learners receiving qualifications nearly doubled, as did learners into work. The centre and the staff have now received three forms of accreditation, and have been the recipients of a three year extension to the Big Lottery Funded Project. Awards from Comic relief enabled us to start a Families in Crisis project, and from Severn Trent Water a debt project.

In view of the new confidence in DHA's future, and the need for stronger strategic work within DHA, it was decided in December 2015 to discontinue having three senior managers running the day to day business of DHA and to promote our Director of Programmes Paul Naylor to CEO.

DHA aims to cover a diverse range of issues presented by our clientele and therefore quite often, our staff deal with issues that are out of scope of the funding criteria. So it was very gratifying to have news of the Henry Smith Foundation award for out of scope housing clients. As well as that we continue with the specialist housing advice team including solicitors and caseworkers who provide free specialist legal advice in Derby, Derbyshire, East Staffordshire and Greater Nottingham as well as nationally through the Civil Legal Advice Helpline.

At present we are part of the Our City Our River project in Derby which would see our Derby offices demolished as part of a flood prevention scheme. We are still awaiting outcomes of committees and cabinets and government policy before we are completely clear of the council's plans.

IT systems at DHA has been woefully underfunded and neglected for many years, but it is gratifying to report that much has been achieved during the year. There is now a robust Disaster Recovery strategy in place. Much progress has been made towards a virtually paperless data system by the end of 2016. The elimination of several tonnes of paper we have hitherto generated has been a personal ambition of mine.

Our CEO has steered DHA through some very turbulent waters and has managed to retain our staff costs at the same level despite developing much more service activity, several new projects and funds have come on stream during the year as can be seen from the accounts, as such DHA has got healthier year on year.

Future plans will continue to build partnerships with key organisations which will see the internal departments of DHA be more self-sufficient and have highly competent managers in place for each department. The funding for Help Through Crisis has initiated a new project to help families whose first language is not English. These new initiatives will become more common if our trends continue, which I have every hope that they will.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Chair's report – year to March 2016 - continued

I wish to thank the trustee team, who have served for varying lengths of time, but who have all contributed massively. Jean Scaman, Alan Cartwright, Andrew Deighton, Arwel Davies, Paul Phillips, Nadina Wallis, Jean Douglas, James Gratton. During the year, Nadina Wallis resigned, Guy Freeman, and Rachel Morris joined.



Rafe Nauen
Chair

Thursday, 29 November 2016

Reference and Administrative Information

Direct Help & Advice Ltd. (with a working name of DHA) is a company limited by guarantee and a registered charity. It was incorporated on 20th January 1998 to take over the assets of the charity Derbyshire Trust for Action on Housing and Homelessness (established April 1995 charity no 1047260) with effect from 1st April 1998. The Company is governed by the Board of Directors and Trustees in accordance with its Memorandum and Articles of Association last amendment dated 28th July 2009.

Directors and Trustees	R L Nauen	Chair
	J E Seaman	Vice Chair
	A W J Cartwright	
	E A Davies	
	A W Deighton	appointed 12 January 2016
	J E Douglas	
	P A Phillips	
	R S Morris	appointed 29 March 2016
	G Freeman	appointed 30 August 2016
	J Gratton	resigned 15 August 2016
	N S Wallis	Treasurer – resigned 20 March 2016
	A P Knighton	Treasurer – appointed 30 August 2016

Company Secretary S Clayton

Chief Executive P Naylor

Registered Charity Number 1073231

Company Number 3495233

Registered and Principal Office Phoenix Street
Derby
DE1 2ER

Bankers National Westminster Bank Plc
7 Market Place
Derby

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Reference and Administrative Information - continued

Auditor	HPH Statutory Auditor and Chartered Accountants 54 Bootham York YO30 7XZ	
Key Management Personnel:		
Senior Management Team	P Naylor	Chief Executive Officer
	S Clayton	Head of Finance
	K Miles	Head of Legal Aid and Advice Services
	K Cook	Head of Training and Communities

1) Our Aims and Objectives

DHA'S core aim is to prevent and alleviate the problems of homelessness, housing and financial difficulty and social exclusion.

As of the 1 April 2016, our core purposes are:

- a) The relief of poverty of those who are impoverished, homeless or threatened with homelessness, and/or who are in conditions of need, hardship and distress, by providing advice and guidance upon questions of housing homelessness, and/or social welfare and/or related topics.
- b) To work and prevent the causes of homelessness happening in the first place by promoting the education and training of people and the social inclusion of people through increasing skills and knowledge.

2) Achieving Our Aims

We review our aims, objectives and activities annually and represent them in our business cycle which we then feed into our charity's business plan and Annual Review. This period of evaluation enables each key service to review the outcomes and successes of the last year, to ensure that these benefits and achievements are in line with the charity's stated purposes and addressing the Charity Commissions key principles.

This has proven to be an important tool for service evaluation and improvement, as well as for staff motivation, as it offers a good opportunity for teams to recognize the value of their hard work over the last year.

The business planning cycle gives the Trustees, CEO and Senior Management Team an opportunity to assess performance against key indicators set in the previous year, as well as to look ahead to the key aims and objectives for the coming 12month period.

Our main objectives for the period continued to be the prevention and alleviation of homelessness and all associated issues.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

2) Achieving Our Aims - continued

The strategies employed to achieve these objectives were:

- 1) To Promote and provide services for people who are homeless, at risk of homelessness, in poverty or suffering multiple disadvantage.
- 2) To protect and promote people's rights and legal responsibilities and address the root cause of problems, preventing escalation of problems, representing and advocating to improve policy and practice of others.
- 3) To work effectively with others to improve the availability of appropriate services that meet our clients' needs.
- 4) To promote continuous improvement and diversity in everything that we do, monitor our impact and celebrate our achievements.
- 5) To achieve sustainability in projects through self-generated income and contract delivery.
- 6) To communicate and respond appropriately about our strengths, opportunities and challenges.
- 7) To recognize and reward our best asset – staff/volunteers – who significantly contribute to achieving our aims.

3) Delivering Public Benefit

All of DHA'S charitable activities focus on the prevention and alleviation of homelessness, housing and financial difficulty and social exclusion; all are undertaken to further our charitable purposes for the public benefit.

We have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Who used and benefited from our services

The demand for our services remains high over the past year as people have been affected by the Welfare Reforms.

We have provided 1,515 people locally and 3,408 nationally with high quality specialist advice to tackle the housing problems.

We have also provided 180 people locally with high quality specialist advice to tackle their debt problems.

In the Training and Communities Department, our total learners amounted to 2,702 this compares to 645 learners at the last year end, a massive increase year on year.

Learners gaining accredited qualifications amounted to 197 people in 2016 compared to 116 last year, a further, 41 were assisted into work this year compared to 21 last year.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Key Achievements to 31st March 2016

DHA successfully achieved the three year extension of the Big Lottery Project at our Ilkeston Centre from July 2015 due to the previous three years success. This enabled two more staff to be brought into the project and thus the number of people the centre can help increase substantially.

DHA started two new projects, Comic Relief Families In Crisis Project and Severn Trent Water Debt Project.

The organization also secured a funding bid with Henry Smith Foundation for a Housing debt out of scope project starting in April 2016.

The organization also won a bid with the Lottery reference Help Through Crisis Project for the next three years which will help people whose first language is not English.

Small pockets of funding gained from such sources as Amber Valley Council were extremely helpful in supporting people from that area.

From an operational point of view, the I.T infrastructure project phase 1 has been completed and the I.T infrastructure is in a substantially better place than where it was a year ago, as a result it now poses far less of a business risk. Phase 2-3 will continue to improve this further. A leaseline is also in place at Derby to mitigate any internet risk.

The legacy issues of paper usage-storage continue to reduce as efficiencies continue aligned with the I.T paperless project.

On 1st December 2015 having three senior managers managing DHA was discontinued and Paul Naylor was installed in post as CEO. Whilst effective in the short-term with the three senior managers, a CEO was required for the more strategic work involved for example partnership development.

Negotiations have continued with the Local Council with reference to Our City Our River Project and the proposed sale of the building.

The other big achievement has been the level of partnerships with other charities/organizations which have been set up in the last financial year.

Financial Review

This year was the first full year of trading normally without the effect of sorting out bank issues.

As expected the cash at bank took a hit during the year as one off costs reference I.T and Building Repairs were incurred. Also a trade creditor balance reference past legal work was paid off 14k and a credit balance with the LAA of 20k had to be worked down during the year which also hit cash flow.

Going forward into the next financial year the cash flow steadies out as the substantial one offs have now finished.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Income

Legal Aid income reduced by a further 67,831 from 724,907 to 657,076 in 2016 a reduction of 9.4%.

This was again due to the reduction in the volume of cases, which arose mainly in Face to Face and in Telephone Advice.

Big Lottery Funds increased by 70,575 from 99,990 to 170,565. This was due to the Big Lottery Years 4 to 6 in July 2015 in Ilkeston and the new payment phasing.

Ilkeston Training and Communities center funding increased by 15,033 from 33,915 to 48,948 in 2016.

This was mainly down to new Projects such as the Crime Commissioners Project reference Knife Crime (25k) and Scottish Power Energy Project (15k).

Other trading activities increased by 32,196 from 6,185 in 2015 to 38,381 in 2016. This is solely down to the rental income received by DHA's trading arm DHA Support Limited.

Other grant income reduced by 18,400 from 26,182 in 2015 to 7,782 in 2016 mainly due to a grant finishing in July 2015.

Two new projects commenced during the financial year (Severn Trent and Comic Relief) total 47,351 in 2016, 2015 nil turnover.

Costs

Staff costs were roughly the same at 741,089 compared to 733,034 in 2015.

Staff costs have continued to reduce within the Legal Aid Business as volumes continue to fall.

Staff costs have increased on the Training and Communities side as more business is gained.

This also includes 11k holiday pay accrual as required under New Accounting standards.

Administration costs continue to reduce and going forward this cost efficiency exercise will continue.

One off costs were incurred on improving the Derby Property back to standard ready for the new tenants to move into the building.

Loan interest reduced to 16,000 from 20,000 the previous year and this was down to the continued reduction in the Business Loan balance.

The valuation of the Derby and Ilkeston Properties was undertaken in March 2015 and as at March 2016 the Trustees believe the valuation of the buildings taken then is still fair value.

This year there was a net expenditure of 12,691 (2015 net expenditure of 31,999) and this is mainly down to the 11k holiday pay accrual which has been implemented into the accounts as detailed above.

Reserves Policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The Trustees consider that unrestricted funds should be set at between 3 and 6 months expected expenditure.

Unrestricted reserves as 31st March 2016 total 296,056 (2015- 336,949), which is in compliance with this policy. Further work on improving that number is taking place during the next financial year.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Future Plans

DHA continues down the path as in previous years to being leaner-more efficient with the resources currently available.

The IT Upgrade phase 2 and 3 continue to upgrade further. Whilst this brings extra cost in the short-term, this also drives out cost efficiencies in the long term. (i.e. completely paperless).

DHA's accredited centre at Ilkeston continues to bring in more funding in area's such as back to work-financial capability training contracts.

We are in negotiation with Derby City Council on the sale of the Derby Property which falls under their Our City Our River project. Once this is disposed of the remaining business loan on the property will be paid off.

Keep building on the partnerships achieved during the last financial year.

Governing Document

Direct Help & Advice Limited is a company limited by guarantee governed by its Memorandum and Articles of Association.

It is registered as a charity with the Charities Commission.

Appointment of Trustees

The charity as of (29th November 2016) has a Board of Trustees of 10 members, plus the CEO and Senior Management team who meet monthly and are responsible for the strategic direction and policies of the charity.

A scheme of delegation is in place and day to day responsibility for advising Trustees and assisting in compliance with all legal obligations and the provisions of services rest with the Executive Chair along with the CEO.

Under the requirements of the Memorandum and Articles of Association the Trustees are elected to serve until the next Annual General Meeting, after which they must be re-elected.

All Trustees give their time voluntarily and receive no benefits from the charity.

Organisation

The Board of Trustees administers the Charity. The board meets every month and there is a CEO steering group covering operational programs and financials.

The CEO has the responsibility for the day to day running operational and support management of the charity and also to ensure the team continue to develop their skills and working practices in line with good practice.

Related Parties and co-operations with other Organisations

None of our Trustees receive remuneration or other benefit from their work with the charity.

At the start of every Trustee meeting, the Trustees are required to disclose any conflicts of interests.

DIRECT HELP & ADVICE LTD.

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Risk Management

The Trustees have a risk management strategy which comprises:

- 1) An annual review of the principal risk and uncertainties that the charity and its subsidiary DHA Support Limited face.
- 2) An establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- 3) The implementation of procedures designed to minimize or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of the financial risk is a regular review of available funds to settle debts as they fall due, regular liaison with our banking relationship manager, and active management of trade debtors and work in progress to ensure sufficient working capital by DHA and DHA Support Limited.

Directors' and Trustees' Responsibilities in relation to the Financial Statements

The charity Trustees who are also Directors for the purpose of company law are responsible for preparing a Trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including that of income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standard have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DIRECT HELP & ADVICE LTD.**

We have audited the financial statements of Direct Help & Advice Ltd. for the year ended 31 March 2016, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Responsibilities of the Directors and Trustees, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors and Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors and Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Directors and Trustees.

29 November 2016

54 Bootham
York
YO30 7XZ

Robert Woolley BA (Hons), FCA, MAAT, DChA, MCMI
Senior Statutory Auditor
for and on behalf of:
IIPFI
Statutory Auditor and Chartered Accountants

DIRECT HELP & ADVICE LTD.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

		<i>Year ended 31 March 2016</i>			<i>Year ended 31 March 2015</i>
	<i>Notes</i>	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total Funds £</i>	<i>£</i>
Income and endowments from:					
Donations and legacies		8,581	5,000	13,581	8,690
Charitable activities	2	708,613	228,489	937,102	889,577
Other trading activities	21	38,381	-	38,381	6,185
Investments		-	-	-	4
Other	3	-	-	-	267,838
Total		755,575	233,489	989,064	1,172,294
Expenditure on:					
Raising funds	20	400	-	400	850
Charitable activities	5	796,068	205,287	1,001,355	1,203,443
Total		796,468	205,287	1,001,755	1,204,293
Net income/(expenditure)	4	(40,893)	28,202	(12,691)	(31,999)
Transfers between funds	12, 13	-	-	-	-
Net movement in funds		(40,893)	28,202	(12,691)	(31,999)
Reconciliation of funds:					
Total funds brought forward		336,949	29,015	365,964	397,963
Total funds carried forward	12, 13	£ 296,056	£ 57,217	£ 353,273	£ 365,964

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

The notes on pages 14 to 24 form part of these financial statements.

DIRECT HELP & ADVICE LTD.

BALANCE SHEET AT 31 MARCH 2016

Registration number: 3495233

		Consolidated		Charity only	
	<i>Notes</i>	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Fixed assets					
Tangible fixed assets	7	973,327	997,528	973,327	997,528
Investment	21	-	-	100	100
		<u>973,327</u>	<u>997,528</u>	<u>973,427</u>	<u>997,628</u>
Current assets					
Debtors	9	223,269	166,243	222,218	169,636
Cash at bank and in hand		52,412	138,349	50,249	133,069
		<u>275,681</u>	<u>304,592</u>	<u>272,467</u>	<u>302,705</u>
Creditors : amounts falling due within one year	10	(119,759)	(114,658)	(116,645)	(112,871)
Net current assets/(liabilities)		<u>155,922</u>	<u>189,934</u>	<u>155,822</u>	<u>189,834</u>
Total assets less current liabilities		1,129,249	1,187,462	1,129,249	1,187,462
Creditors : amounts falling due after one year	11	(775,976)	(821,498)	(775,976)	(821,498)
Net assets		<u>£ 353,273</u>	<u>£ 365,964</u>	<u>£ 353,273</u>	<u>£ 365,964</u>
Represented by					
Unrestricted funds					
General funds		134,502	141,918	134,502	141,918
Designated funds		161,554	195,031	161,554	195,031
	12	<u>296,056</u>	<u>336,949</u>	<u>296,056</u>	<u>336,949</u>
Restricted funds	13	57,217	29,015	57,217	29,015
Funds		<u>£ 353,273</u>	<u>£ 365,964</u>	<u>£ 353,273</u>	<u>£ 365,964</u>

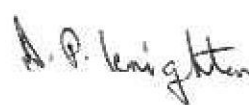
The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

*Approved by the Board on 29 November 2016
and signed on its behalf by:*

R Nauen
Chair



A Knighton
Treasurer



Derby

The notes on pages 14 to 24 form part of these financial statements.

DIRECT HELP & ADVICE LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

		2016		2015	
		£	£	£	£
Net cash provided by/(used in) operating activities	21		(15,617)		171,424
Cash flow from investing activities:					
Purchase of tangible fixed assets		-		(2,415)	
		<hr/>		<hr/>	
Net cash used in investing activities			-		(2,415)
Cash flow from financing activities:					
Repayments of borrowings		(70,319)		(72,125)	
		<hr/>		<hr/>	
Net cash used in financing activities			(70,319)		(72,125)
			<hr/>		<hr/>
Change in cash and cash equivalents in the year			(85,936)		96,883
Cash and cash equivalents at beginning of the year			138,349		41,466
			<hr/>		<hr/>
Cash and cash equivalents at end of the year			<u>£ 52,413</u>		<u>£ 138,349</u>

The notes on pages 14 to 24 form part of these financial statements.

DIRECT HELP & ADVICE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Legal entity

Direct Help & Advice Ltd, is regulated by the Charities Commission (3495233), limited by guarantee and is registered in England. The address of the registered office and principal place of business is Phoenix Street, Derby, Derbyshire, DE1 2ER.

b) Basis of Preparation

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

The Charity constitutes a public benefit entity as defined by FRS 102.

In preparing the accounts, the directors/trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was not required. The directors /trustees are of the opinion that no restatements were required.

c) Going Concern

The Directors/Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For long term finance they rely on bank loans, as disclosed in Notes 9 and 10. In assessing going concern they have assumed that these loans will be renewed as required for the foreseeable future and, on that basis, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d) Fixed Assets

Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	- over 50 years
Plant and equipment	- between 3 and 5 years

e) Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Legal Aid income is accrued for on a monthly basis based on the work performed.

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

DIRECT HELP & ADVICE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including accountancy fees.
- Expenditure on charitable activities includes the costs of providing legal support and services undertaken to further the purposes of the charity and their associated support costs.

g) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's objectives. These include a revaluation reserve in respect of housing land and buildings restated at market value.

Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects, together with the net book value of the buildings.

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

h) Pension cost

The Charity makes contributions to personal pension schemes for employees. Contributions are charged to the SOFA for the period in which they are payable.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit of similar account.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period they are incurred.

m) Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary DHA Support Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	Year ended 31 March 2016			Year ended 31 March
	Unrestricted Fund £	Restricted Funds £	Total 2016 £	2015 £
2. INCOME FROM CHARITABLE ACTIVITIES				
Legal Aid Agency	657,076	-	657,076	724,907
Local Authority grants	4,000	-	4,000	1,000
Other grants	7,782	-	7,782	26,182
Rental income	-	-	-	3,583
Ilkeston Service Centre Funding	39,755	9,193	48,948	33,915
Big Lottery fund	-	171,945	171,945	99,990
Comic Relief	-	15,947	15,947	-
Severn Trent	-	31,404	31,404	-
	<u>£ 708,613</u>	<u>£ 228,489</u>	<u>£ 937,102</u>	<u>£ 889,577</u>
3. OTHER INCOME				
Financial redress	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 267,838</u>
4. NET INCOME FOR THE YEAR				
Net income for the period is stated after charging:			2016 £	2015 £
Auditor's remuneration	-	Statutory audit	3,550	4,900
	-	other financial services	1,900	1,500

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

	<i>Basis of allocation</i>	<i>Advice and outreach services</i>	<i>Fundraising, tendering and public relations</i>	<i>Central management</i>	<i>Total Year ended 31 March 2016</i>	<i>Total Year ended 31 March 2015</i>
	£	£	£	£	£	£
5. ANALYSIS OF CHARITABLE EXPENDITURE						
Charitable activities						
Staff costs	direct	418,741	37,975	284,373	741,089	733,039
Other staff overheads	direct	16,922	-	-	16,922	18,746
Office premises	headcount	47,054	-	31,954	79,008	82,048
Administration costs	headcount	40,375	-	27,419	67,794	69,444
Insurances	headcount	4,113	-	2,793	6,906	4,043
Depreciation	headcount	14,414	-	9,788	24,202	30,956
Communications	FTE's	13,259	-	6,563	19,822	24,884
IT support	FTE's	16,256	-	8,046	24,302	12,892
Loan interest	direct	15,408	-	852	16,260	(27,507)
Auditor's remuneration- statutory audit	direct	-	-	5,050	5,050	4,900
		586,542	37,975	376,838	1,001,355	953,445
Property revaluation	headcount	-	-	-	-	249,998
		586,542	37,975	376,838	1,001,355	1,203,443
Re-allocate central costs	FTE's	376,838	-	(376,838)	-	-
Total		£ 963,380	£ 37,975	£ -	£ 1,001,355	£ 1,203,443
Staff numbers		17.67	-	12.00	29.67	30.25
Full time equivalents (FTE's)		16.77	-	8.30	25.07	25.97

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

6. STAFF COSTS

The aggregate payroll costs of the charitable company for the period are as follows:

	<i>Year ended 31 March 2016 £</i>	<i>Year ended 31 March 2015 £</i>
Wages and salaries	669,724	659,923
Social security costs	52,986	53,887
Pension costs	18,379	19,229
	<u>£ 741,089</u>	<u>£ 733,039</u>

Average number of employees for the period was:

Advertising and outreach services	17	21
Central management	12	11
Fundraising	1	1
	<u>30</u>	<u>33</u>

Average number of employees for the period based on full time equivalents was:

Advertising and outreach services	16	19
Central management	9	10
Fundraising	1	1
	<u>26</u>	<u>30</u>

No employees received remuneration in excess of £60,000

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary. The key management personnel of the parent charity, comprise the Trustees, the Chief Executive Officer, Head of Finance, Head of Legal Aid and After Service and Head of Training and Communities. The total employee benefits of the key management personnel of the charity were £139,127 (2015: £140,303).

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. TANGIBLE FIXED ASSETS - CHARITY AND GROUP

	<i>Plant and machinery etc.</i>	<i>Land and Buildings</i>	<i>Total</i>
	£	£	£
<u>Cost or valuation</u>			
At 1 April 2015	207,958	1,192,478	1,400,436
Additions	-	-	-
Revaluation	-	-	-
As at 31 March 2016	<u>207,958</u>	<u>1,192,478</u>	<u>1,400,436</u>
 <u>Depreciation</u>			
At 1 April 2015	205,430	197,478	402,908
Charge for year	1,097	23,104	24,201
As at 31 March 2016	<u>206,527</u>	<u>220,582</u>	<u>427,109</u>
 <u>Net Book Value</u>			
At 31 March 2016	<u>£ 1,431</u>	<u>£ 971,896</u>	<u>£ 973,327</u>
 At 31 March 2015	<u>£ 2,528</u>	<u>£ 995,000</u>	<u>£ 997,528</u>

All fixed assets held are for charitable use.

A valuation of freehold land and buildings was carried out on 9 March 2015 by an external valuer, David Brown. These were valued at £995,000 on the basis of existing use. The Trustees believe that this valuation remains reasonable.

The comparable historic cost less depreciation amounts to £1,094,093 (31 March 2015 £1,117,197).

8. INVESTMENTS

The charity holds 100 shares of £1 each in its wholly owned trading subsidiary company DHA Support Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company is summarised in note 21.

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

	Consolidated		Charity	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
9. DEBTORS				
Trade debtors	1,051	1,942	-	-
Accrued income	209,730	157,128	209,730	157,128
Amounts due from subsidiary	-	-	-	5,335
Prepayments	12,488	7,173	12,488	7,173
	<u>£ 223,269</u>	<u>£ 166,243</u>	<u>£ 222,218</u>	<u>£ 169,636</u>

10. CREDITORS: amounts falling due within one year

Bank mortgage	45,135	42,929	45,135	42,929
Keyfund loan	3,293	14,175	3,293	14,175
Trade creditors	4,411	13,770	4,411	13,770
Pension costs	6,098	3,656	6,098	3,656
Accruals and deferred income	18,126	10,111	17,626	9,511
Taxation and social security	42,696	30,017	40,082	28,830
	<u>£ 119,759</u>	<u>£ 114,658</u>	<u>£ 116,645</u>	<u>£ 112,871</u>

11. CREDITORS: amounts falling due after more than one year

Mortgage - repayments due between one and five years	770,439	177,694	770,439	177,694
- repayments due in more than five years	5,537	643,804	5,537	643,804
	<u>£ 775,976</u>	<u>£ 821,498</u>	<u>£ 775,976</u>	<u>£ 821,498</u>

The mortgages are secured on the freehold property owned by the Charity.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. UNRESTRICTED FUNDS

	<i>Balance brought forward 01/04/15 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance carried forward 31/03/16 £</i>
Designated Funds					
Land and buildings	195,031	-	(36,439)	2,962	161,554
General Reserves	195,031 141,918	- 717,194	(36,439) (759,629)	2,962 35,019	161,554 134,502
Charity	336,949	717,194	(796,068)	37,981	296,056
Non charitable trading funds	-	38,381	(400)	(37,981)	-
Total for the group	£ 336,949	£ 755,575	£ (796,468)	£ -	£ 296,056

The Buildings fund relates to the net book value of the premises less the mortgage outstanding. This sum has been designated as the buildings are required to enable the charity to meet its aims and objectives.

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. RESTRICTED FUNDS

	<i>Balance b/fwd at 01/04/15</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance c/fwd at 31/03/16</i>
	£	£	£	£	£
The Big Lottery Fund - Ilkeston	11,380	171,945	(136,739)	-	46,586
Crime Commissioners	7,497	7,504	(15,001)	-	-
Scottish Power	10,138	1,689	(11,827)	-	-
Comic Relief	-	15,947	(5,316)	-	10,631
Severn Trent	-	31,404	(31,404)	-	-
Persula	-	5,000	(5,000)	-	-
TOTAL RESTRICTED FUNDS	£ 29,015	£ 233,489	£ (205,287)	£ -	£ 57,217

The Big Lottery Fund - Ilkeston

For the development of advice services for clients who would otherwise be ineligible or unable to access legal advice at the Ilkeston office.

Crime Commissioners

To cover the cost of provision of Youth Activities for the period February 2015 to July 2015.

Scottish Power

To support the provision of Energy Efficiency Advice for the period December 2014 to November 2015.

Comic Relief

To support Families In Crisis due to Debt Issues and supporting these families through advice and Workshops.

Severn Trent

To support and advise people who have Debt Issues predominately starting with Water debts.

Persula

A £5,000 donation to support the provision of homelessness advice, advocacy and representation work

DIRECT HELP & ADVICE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted</i>		<i>Restricted</i>	
	<i>Undesignated</i>	<i>Designated</i>	<i>funds</i>	<i>Total</i>
	<i>funds</i>	<i>funds</i>		
	£	£	£	£
Fixed Assets	1,431	971,896	-	973,327
Current Assets	218,464	-	57,217	275,681
Creditors: Amounts due within less than one year	(74,624)	(45,135)	-	(119,759)
Creditors: Amounts due after more than one year	(10,769)	(765,207)	-	(775,976)
	<u>£ 134,502</u>	<u>£ 161,554</u>	<u>£ 57,217</u>	<u>£ 353,273</u>

15. PENSION COSTS

Direct Help & Advice Ltd. makes a contribution of between 1% and 5% of gross salary to each individual employee's personal pension via a group pension plan as a defined contribution. As part of the salary scheme, individual employees can select a higher rate of pension contributions. Individual funds are held for each member by the member themselves. No pension assets or liabilities (potential or realised) are held by Direct Help & Advice Ltd. Sums due at 31 March 2016 amounted to £6,098 (31 March 2015 - £3,656), which are due in accordance with the usual payment schedule.

16. CONSTITUTION

Direct Help & Advice Ltd. is a company limited by guarantee, number 3495233. In the event of the charitable company being wound up, the liability of the members is limited to five pounds.

The Memorandum of Association of the charitable company prohibits the distribution of any properties to members upon winding up or dissolution of the charitable company.

17. TAXATION

As a registered charity, Direct Help & Advice Ltd. is exempt from the tax on income and gains falling within section 466 to 493 of the Corporation Tax Act 2010. No tax charges have arisen in the Charitable Company.

18. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

The Directors/Trustees of the charitable company do not receive any remuneration or benefits by virtue of being a director/trustee and were not reimbursed any travelling expenses to attend meetings.

19. RELATED PARTIES

There were no related party transactions during the reporting period.

DIRECT HELP & ADVICE LTD.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

20. INVESTMENT - SUBSIDIARY COMPANY

The wholly owned trading subsidiary DHA Support Limited is incorporated in the United Kingdom (company number 08873510) and pays all of its profits to the charity under the gift aid scheme. DHA Support Limited rents out excess office space Phoenix Street, Derby. A summary of the trading results is shown below.

	2016	2015
	£	£
<i>Profit and Loss Account</i>		
Turnover	38,381	6,185
Administration expenses	(400)	(850)
Operating and net profit	37,981	5,335
Charitable donation to parent charity	(37,981)	(5,335)
Profit before tax	£ -	£ -
The assets and liabilities of the subsidiary were:		
Current assets	3,214	7,222
Current liabilities	(3,114)	(7,122)
Total net assets	£ 100	£ 100
Aggregate share capital and reserves	£ 100	£ 100

21. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
Net expenditure for the reporting period	(12,691)	(31,999)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	24,201	30,956
Unrealised losses on property revaluation	-	249,998
Decrease/(increase) in debtors	(57,026)	(17,671)
Increase/(decrease) in creditors	13,777	(80,686)
Interest paid	16,122	20,826
Net cash provided by (used in) operating activities	£ (15,617)	£ 171,424