

Registered number: 3495233
Charity number: 1073231

Direct Help & Advice Limited

Trustees Report and Financial Statements

For the Year Ended 31 March 2017

CHARITY COMMISSION
FIRST CONTACT
07 DEC 2017
ACCOUNTS
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Direct Help & Advice Limited
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Chairman's statement	3
Trustees' report	4 - 9
Independent auditors' report	10 - 11
Consolidated statement of financial activities	12
Consolidated balance sheet	13
Company balance sheet	14
Consolidated statement of cash flows	15
Notes to the financial statements	16 - 32

Direct Help & Advice Limited
(A company limited by guarantee)

Reference and Administrative Details of the Company, its Trustees and Advisers
For the Year Ended 31 March 2017

Trustees

R L Nauen, Chair
J E Seaman
A W J Cartwright
E A Davies
A W Deighton
J E Douglas
G Freeman (appointed 30 August 2016)
J Gratton (resigned 15 August 2016)
A P Knighton, Treasurer (appointed 30 August 2016, resigned 20 February 2017)
R S Morris
P A Phillips
J Scruton, Vice Chair (appointed 29 November 2016)

Company registered number

3495233

Charity registered number

1073231

Registered office

Phoenix Street
Derby
DE1 2ER

Company secretary

S G Walker

Chief executive officer

P Naylor

Senior management team

P Naylor, Chief Executive Officer
S Clayton, Head of Finance
K Miles, Head of Legal Aid and Advice Services (resigned 20 June 2016)
C Pass, Head of Legal Aid and Advice Services (appointed 3 October 2016)
K Cook, Head of Training and Communities
S Walker, Head of HR and Compliance

Independent auditors

Dains LLP
Charlotte House
Stanier Way
The Wyvern Business Park
Derby
DE21 6BF

Direct Help & Advice Limited
(A company limited by guarantee)

Reference and Administrative Details of the Company, its Trustees and Advisers
For the Year Ended 31 March 2017

Advisers (continued)

Bankers

National Westminster Bank Plc
58 St Peters Street
Derby
DE1 1XL

Direct Help & Advice Limited
(A company limited by guarantee)

Chairman's Statement
For the Year Ended 31 March 2017

The chairman presents his statement for the period.

We have once again enjoyed an exceptional year; 2016/17 has seen significant changes and exciting opportunities created and I am proud that we have been able to continue to provide clients with a diverse and high calibre service.

I would just like to thank everyone who helped to make this great year possible. It's exciting to see that support for the charity continues to grow. It's also gratifying to note that we were able to help more people last year than ever before. We calculate that more than 11,500 people directly benefited from our many services in 2016-17.

These were people which we successfully delivered our services to throughout Derby, Derbyshire, Nottinghamshire and East Staffordshire.

We know that the work of Direct Help and Advice is widely respected and greatly valued. We also know that this reputation has to be earned and deserved on a continuing basis. It is thanks to the outstanding efforts, the dedication and the commitment of our volunteers, funders, supporters and staff who make this possible and who make Direct Help and Advice renowned as a leading and trusted organisation in the charity sector.

A really important piece of work to be carried out for next year is to review the charity's long term strategic plan. Our new plan builds on the work we have been doing for several years now. It gives us continuity for our services but also makes sure that our work is up to date and still relevant for people now and in the future.

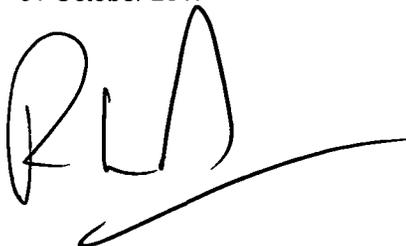
The teams at both our venues have worked tirelessly and with enthusiasm to come together and we are all relishing the prospects for the future as we look to build on the collective strengths of each.

In 2016-17 we also introduced four subcommittees that meet on a monthly basis and oversees the LAA (Legal Aid Agency) and Advice Services, Finance, Training and Communities and H/R and Health and Safety departments. These subcommittees are chaired by a Trustee and reports from the meetings are fed-back in to the Full Board of Trustee meetings.

As well as offering my heartfelt thanks to Paul Naylor, our chief executive, all the staff and my colleagues on the Board of Trustees, I would like to extend my gratitude for the continued support from our friends, sponsors, volunteers and donors whose generous contributions have helped to ensure that this wonderful charity remains at the forefront for providing quality services in the region.

Name R L Nauen
Chairman

Date 31 October 2017

A handwritten signature in black ink, appearing to be 'RLN' with a long horizontal flourish extending to the right.

Trustees' Report
For the Year Ended 31 March 2017

The Trustees present their annual report together with the consolidated audited financial statements of the Charity and its subsidiary undertaking for the year 1 April 2016 to 31 March 2017. The Trustees confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Objectives and Activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

b. Principal activities

To prevent and alleviate homelessness, poverty, financial and housing difficulty and associated issues. To ensure everyone has a decent, safe home, be financially stable, be healthy and participate in the local community.

c. Strategies for achieving objectives

Resolve legal issues and actively provide support to prevent families losing their accommodation, provide debt advice services and improve social inclusion and financial stability through local community activities, provide training and volunteering to enable beneficiaries to increase their skills, knowledge and employability.

d. Activities for achieving objectives

To provide free, independent, specialist housing and debt advice in Derby, Derbyshire, East Staffordshire and Greater Nottingham as well as nationally through the Civil Legal Advice telephone helpline. To provide training programs – both accredited and non-accredited - and volunteering opportunities and assist in securing employment for beneficiaries to prevent the causes of homelessness and provide them with a sustainable future.

e. Main activities undertaken to further the Charity's purposes for the public benefit

Preventing and resolving legal issues through specialist housing advice including face to face casework and through court representation, provide telephone support, drop in sessions and outreach provisions within the larger area to prevent families losing their accommodation, resolve landlord disputes and challenge unfair decisions.

Our Community Training department provides work related training, advice and support together with volunteering opportunities to improve confidence and skills leading to sustainable work together with associated improvements in health and wellbeing.

Direct Help & Advice Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 31 March 2017

Achievements and performance

a. Key financial performance indicators

The Charity's key financial performance indicators are the amount of income received from fund raising and grants which has increased from £937,102 in 2016 to £1,053,955 in 2017.

Another key performance indicator is the number of people locally that the Charity can advise to help tackle debt and housing problems, together with the number of learners in our training and communities department, and of these learners the number that gain accredited qualifications.

b. Review of activities

Face to Face - Clients coming into our service centres needing help and advice – 1,187

Telephone Advice - Clients assisted by DHA via the National Telephone Advice service – 3,126

Training into Employment - Training programmes delivered to over 4,000 clients

Employment - Assisted unemployed people into jobs - 93

c. Fundraising activities/Income generation

Specialist Housing advice work is undertaken against Legal Aid Agency contracts including casework and court representation, participation in a National Helpline and Duty Solicitor representation at Housing Repossession sessions. Payment is received on a case by case basis in accordance with contracted rates.

Training (both certified and non certified) is delivered against specific requirements and contracts with specified payment against certified outcomes.

Projects are provided against specific funding in accordance with the requirements of the Grant – currently The Big Lottery, Comic Relief and several smaller grants.

Funding requests and bid submissions are made as appropriate on an on going basis to further the charitable aims and maintain financial stability.

d. Factors relevant to achieve objectives

Following the Legal Aid Reforms we are now no longer funded to provide early intervention advice and assistance to vulnerable people. This prevents us from assisting people with housing benefit issues, general disrepair, tenancy matters, and with mortgage or rent arrears before a landlord or lender has initiated possession action which greatly restricts the number of families we can help.

Funding is becoming increasingly difficult to obtain in the current financial climate with increasing requirements of reporting and outcomes which impacts on the range and scope of the services we are able to offer particularly to the most vulnerable clients.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Financial risk management objectives and policies

Trustees are required to ensure that the charitable funds and assets are used reasonably and only in furtherance of the Charity's objects, and to avoid undertaking activities that might place the Charity's funds, assets or reputation at undue risk while giving regard to the overall efficiency and continuity of operations to deliver the charitable objectives.

Risk associated with specific activities must be considered & reviewed, were possible mitigated and if deemed to be excessive the activity not undertaken.

There will be an annual financial planning cycle with the Trustees who will have adequate information to review the budget and make recommendations for its approval and to satisfy themselves that they can adequately discharge their statutory responsibilities and ensure the solvency of the Charity.

There will be a Business Continuity Plan in place in case of a major event affecting the day-to-day operations and resultant financial impact and a Risk Strategy will be in place.

c. Principal risks and uncertainties

Financial sustainability is the major risk for both the Charity and its subsidiary. The risk is regularly reviewed to ensure funds are available to settle debts as they fall due together with active Financial Management of trade debtors and creditors.

The on going availability of charitable funds is uncertain and is kept under constant review and operations will be managed in accordance.

d. Reserves policy

The reserves policy is an aspiration to hold reserves of between 3 – 6 months' forecast expenditure in order to absorb any adverse fluctuations in funding income or unexpected outgoings and to achieve this by diversification of the funding base. The total amount of funds held at 31 March 2017 was £391,730 of which £350,630 was designated as restricted funds.

e. Principal funding

The primary income is derived from delivery against the Legal Aid Agency contracts together with D2N2 contract funding from the European Social Fund via several partner organisations.

In addition grants are received from the Big Lottery and Comic Relief with lesser amounts from other organisations.

Direct Help & Advice Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 31 March 2017

Structure, governance and management

a. Constitution

The Company and the Group is registered as a charitable Company limited by guarantee and was set up by a Memorandum of Association on 20 January 1998 .

The Company and the Group is constituted under a Memorandum of Association dated 20 January 1998 and is a registered Charity number 1073231 and registered Company number 3495233.

In the event of the charitable Company being wound up, the liability of the members is limited to £5 pounds.

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

b. Method of appointment or election of Trustees

The management of the Company and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Policies adopted for the induction and training of Trustees

The Charity, as of 23 August 2017 has a board of Trustees of 10 members, plus the CEO, Company Secretary and 4 Senior Managers who meet regularly and are responsible for the strategic direction and policies of the charity. The Trustees are from a variety of professional backgrounds relevant to the work of the Charity.

Full Trustee meetings were held monthly for the year ended 31 March 2017, with sub-group committee meetings in the following areas also commencing on a monthly basis: Finance; Advice Services; Training & Communities; Human Resources and Health & Safety.

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 provision of services rests 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. Any expenses reclaimed from the Charity will be declared in the notes to the accounts.

Due to the nature of the Charity's work, the Trustees seek to ensure that the needs of the service users are appropriately reflected through the diversity of the Trustee body. The Board of Trustees is a well-established team of committed individuals who possess wide ranging and highly specialised business skills and expertise relevant to the Charity's needs.

All Trustees are familiar with the practical work of the Charity having been encouraged to become involved in the services across the organisation and attend meetings and events throughout the year.

Newly elected Trustees are invited and encouraged to attend meetings and events to familiarise themselves with the Charity and the context within which it operates. An induction pack is available which details their role and responsibilities, and new Trustees are also initially mentored by existing board members.

d. Pay policy for senior staff

The approach is to pay a fair salary to attract and retain skilled and expert senior leaders. Salaries and benefits need to be competitive within the Charity sector and proportionate to the complexity of each role.

To achieve this our Pay Policy aims to:

- Pay the median range for similar organisations in the UK Charity sector market and locally but not to compete on salaries with the public or private sectors.
- Ensure performance is reviewed and reported on at least an annual basis.

e. Organisational structure and decision making

The Board of Trustees administers the Charity. The board meets regularly, with additional sub-group committee meetings covering operational programs, financial and business functions.

The CEO has responsibility for ensuring that the Charity delivers the services specified and that key performance indicators are met. The CEO, with support from the Senior Management Team, has responsibility for the day to day operational and support management of the Charity and also for ensuring the departments continue to develop their skills and working practices in line with our mission.

f. Related party relationships

There are no related party transactions during the reporting period.

Trustees do not receive remuneration or other benefit by virtue of being a Trustee of the Charity.

At the start of every Trustee meeting all Trustees are required to disclose any conflicts of interest.

g. Risk management

The Trustees have a risk management strategy which comprises:

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

This process offers a crucial opportunity to evaluate potential problems, and to establish appropriate systems or procedures to mitigate the risk as necessary.

This work has identified that financial sustainability is the major 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, regular liaison with the banking relationship managers, and active management of trade debtors and work in progress to ensure sufficient working capital for the Charity and its subsidiary.

The Trustees have assessed the major risks to which the Company and the Group is exposed, in particular those related to the operations and finances of the Company and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Direct Help & Advice Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 31 March 2017

Plans for future periods

a. Future developments

DHA are committed to continue providing specialist Housing Support Advice and Training programs whilst extending the services whenever additional funding sources make it possible.

Any opportunities that arise that will assist in the furtherance of the charitable aims will be maximised and potential opportunities kept under review.

Trustees' responsibilities statement

The Trustees (who are also directors of Direct Help & Advice Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 the income and expenditure, of the charitable Group for that period. In preparing these 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

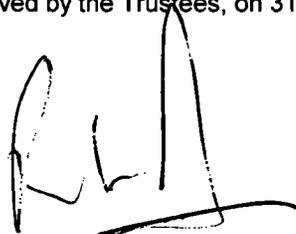
Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Group's auditors are aware of that information.

This report was approved by the Trustees, on 31 October 2017 and signed on their behalf by:

R L Nauen, Chair



J Scruton, Vice Chair



Direct Help & Advice Limited
(A company limited by guarantee)

Independent Auditors' Report to the Members of Direct Help & Advice Limited

We have audited the financial statements of Direct Help & Advice Limited for the year ended 31 March 2017 set out on pages 12 to 32. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable Company for the purposes 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 Group's and the parent 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 Trustees' report 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 2017 and of the Group's 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, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Direct Help & Advice Limited
(A company limited by guarantee)

Independent Auditors' Report to the Members of Direct Help & Advice Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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:

- the parent charitable Company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable Company 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.



Lisa Richards FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Charlotte House, Derby
31 October 2017

Direct Help & Advice Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities incorporating Income and Expenditure Account
For the Year Ended 31 March 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Income from:					
Donations and legacies	2	7,817	-	7,817	13,581
Charitable activities		741,143	312,813	1,053,956	937,102
Other trading activities		33,634	-	33,634	38,381
Total income		<u>782,594</u>	<u>312,813</u>	<u>1,095,407</u>	<u>989,064</u>
Expenditure on:					
Raising funds		875	-	875	400
Charitable activities		709,150	370,030	1,079,180	978,251
Total expenditure	5	<u>710,025</u>	<u>370,030</u>	<u>1,080,055</u>	<u>978,651</u>
Net movement in funds		72,569	(57,217)	15,352	10,413
Reconciliation of funds:					
Total funds brought forward		319,160	57,217	376,377	365,964
Total funds carried forward		<u><u>391,729</u></u>	<u><u>-</u></u>	<u><u>391,729</u></u>	<u><u>376,377</u></u>

The notes on pages 16 to 32 form part of these financial statements.

Direct Help & Advice Limited
(A company limited by guarantee)
Registered number: 3495233

Consolidated Balance Sheet
As at 31 March 2017

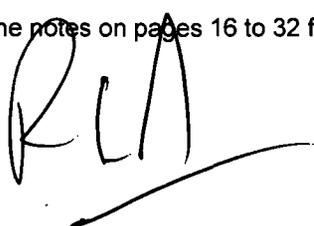
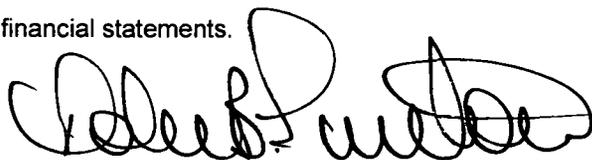
	Note	£	2017 £	£	As restated 2016 £
Fixed assets					
Tangible assets	8		997,604		996,431
Current assets					
Debtors	11	228,892		223,269	
Cash at bank and in hand		83,341		52,412	
		<u>312,233</u>		<u>275,681</u>	
Creditors: amounts falling due within one year	12	<u>(173,219)</u>		<u>(119,759)</u>	
Net current assets			<u>139,014</u>		<u>155,922</u>
Total assets less current liabilities			<u>1,136,618</u>		<u>1,152,353</u>
Creditors: amounts falling due after more than one year	13		<u>(744,889)</u>		<u>(775,976)</u>
Net assets			<u>391,729</u>		<u>376,377</u>
Charity Funds					
Restricted funds	16		-		57,217
Unrestricted funds	16		<u>391,729</u>		<u>319,160</u>
Total funds			<u>391,729</u>		<u>376,377</u>

The financial statements were approved and authorised for issue by the Trustees on 31 October 2017 and signed on their behalf, by:

R L Nauen, Chair

J Scruton, Vice Chair

The notes on pages 16 to 32 form part of these financial statements.

Direct Help & Advice Limited
(A company limited by guarantee)
Registered number: 3495233

Company Balance Sheet
As at 31 March 2017

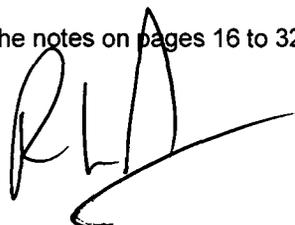
	Note	£	2017 £	As restated 2016 £
Fixed assets				
Tangible assets	8		997,604	996,431
Investments	9		100	100
			<u>997,704</u>	<u>996,531</u>
Current assets				
Debtors	11	229,038		222,218
Cash at bank and in hand		80,402		50,249
		<u>309,440</u>		<u>272,467</u>
Creditors: amounts falling due within one year	12	<u>(170,525)</u>		<u>(116,645)</u>
Net current assets			<u>138,915</u>	<u>155,822</u>
Total assets less current liabilities			<u>1,136,619</u>	<u>1,152,353</u>
Creditors: amounts falling due after more than one year	13		<u>(744,889)</u>	<u>(775,976)</u>
Net assets			<u>391,730</u>	<u>376,377</u>
Charity Funds				
Restricted funds	16		350,630	57,217
Unrestricted funds	16		41,100	319,160
Total funds			<u>391,730</u>	<u>376,377</u>

The financial statements were approved and authorised for issue by the Trustees on 31 October 2017 and signed on their behalf, by:

R L Nauen, Chair

J Scruton, Vice Chair

The notes on pages 16 to 32 form part of these financial statements.




Direct Help & Advice Limited
(A company limited by guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 31 March 2017

	Note	2017 £	As restated 2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	61,865	(31,738)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,000)	-
Net cash used in investing activities		(3,000)	-
Cash flows from financing activities:			
Repayments of borrowings		(60,937)	(54,198)
Cash inflows from new borrowing		33,000	-
Net cash used in financing activities		(27,937)	(54,198)
Change in cash and cash equivalents in the year		30,928	(85,936)
Cash and cash equivalents brought forward		52,413	138,349
Cash and cash equivalents carried forward	19	83,341	52,413

The notes on pages 16 to 32 form part of these financial statements.

1. Accounting Policies

1.1 Company status

Direct Help & Advice Limited is a Charity registered in England and a private Company limited by guarantee incorporated in England and Wales.

The Company's registered office is Phoenix Street, Derby, DE1 2ER.

The principal activity of the Company was to prevent and alleviate homelessness, poverty, financial and housing difficulty and associated issues and to ensure everyone has a decent, safe home, be financially stable, be healthy and participate in the local community.

1.2 Basis of preparation of financial statements

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.

Direct Help & Advice Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Company alone as permitted by section 408 of the Companies Act 2006.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Direct Help & Advice Limited and all of its subsidiary undertakings ('subsidiaries').

The Company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the Company was £15,352 surplus (2016 - £10,413 surplus).

1.4 Going concern

The 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 12 and 13. 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.

1. Accounting Policies (continued)

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All expenditure is inclusive of irrecoverable VAT.

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1. Accounting Policies (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Motor vehicles	-	4 years straight line
Fixtures and fittings	-	5 years straight line
Computer equipment	-	3 years straight line

1.9 Revaluation of tangible fixed assets

The Company has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the Bank.

1.12 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.13 Debtors

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

1.14 Cash at Bank and in hand

Cash at bank and 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 or similar account.

1. Accounting Policies (continued)

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.16 Financial instruments

The Company 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 measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Taxation

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

1.18 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

1. Accounting Policies (continued)

1.19 Critical accounting estimates and areas of judgment

In the application of the Company'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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical areas of judgment:

Accrued income

Accrued income is an amount that has been earned, there is a right to receive the amount, and it has not yet been recorded within the financial statements. Due to the nature of the revenue within the Company, work completed during the period will not yet have been received and therefore the Trustees are required to make assumptions regarding the recognition of this revenue and its recoverability.

Deferred income

Deferred income is an amount that has been received and recorded within the financial statements but the conditions of the income have not yet been met. The Trustees are required to assess if the conditions of receipt of grant income have been met before revenue can be recognised within the financial statements.

Property valuations

Property valuations have been undertaken by the Trustees in the current and previous year due to the cost of obtaining expert valuations requiring undue cost and effort to obtain in the view of the Trustees.

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	7,817	-	7,817	13,581
<i>Total 2016</i>	13,581	-	13,581	

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

3. Analysis of income from charitable activities by type of income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Legal Aid Agency	533,137	-	533,137	657,076
Training and Communities	155,405	14,543	169,948	48,948
Big Lottery fund	-	139,201	139,201	171,945
Comic Relief	-	31,955	31,955	15,947
Help Through Crisis	-	95,804	95,804	-
Local Authority grants	6,000	-	6,000	4,000
Severn Trent	-	31,310	31,310	31,404
Henry Smith grant	46,600	-	46,600	-
Other grants	-	-	-	7,782
	<u>741,142</u>	<u>312,813</u>	<u>1,053,955</u>	<u>937,102</u>
<i>Total 2016</i>	<u>708,613</u>	<u>228,489</u>	<u>937,102</u>	

4. Support costs

	Governance £	Activities £	Total 2017 £	As restated Total 2016 £
Office premises	-	76,764	76,764	79,008
Insurance	-	11,182	11,182	6,906
Training delivery costs	-	65,220	65,220	12,354
IT support	-	28,964	28,964	24,302
Loan interest	-	12,135	12,135	16,260
Communications	-	19,886	19,886	19,822
Administration expenses	-	71,077	71,077	67,794
Auditor's remuneration	3,600	-	3,600	5,050
Other staff overheads	-	6,539	6,539	4,568
Wages and salaries	-	705,280	705,280	669,724
National insurance	-	58,138	58,138	52,986
Pension cost	-	18,568	18,568	18,379
Depreciation	-	1,827	1,827	1,098
	<u>3,600</u>	<u>1,075,580</u>	<u>1,079,180</u>	<u>978,251</u>
<i>At 31 March 2016</i>	<u>5,050</u>	<u>973,201</u>	<u>978,251</u>	

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

5. Analysis of Expenditure by expenditure type

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Expenditure on fundraising trading	-	-	875	875	400
Costs of generating funds	-	-	875	875	400
Charitable activities	781,986	1,827	291,767	1,075,580	973,201
Expenditure on governance	-	-	3,600	3,600	5,050
	781,986	1,827	296,242	1,080,055	978,651
<i>Total 2016</i>	741,089	1,098	236,464	978,651	

6. Net income/(expenditure)

This is stated after charging:

	2017 £	As restated 2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	1,827	1,098
Auditors' remuneration - audit	4,100	3,550
Auditors' remuneration - other services	350	1,900

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

7. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	705,280	669,724
Social security costs	58,138	52,986
Other pension costs	18,568	18,379
	<u>781,986</u>	<u>741,089</u>

The average number of persons employed by the Company during the year was as follows:

	2017 No.	2016 No.
Advisors and administration	31	17
Central management	5	12
Fundraising	0	1
	<u>36</u>	<u>30</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Advisors and administration	26	16
Central management	5	9
Fundraising	0	1
	<u>31</u>	<u>26</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel

The key management personnel of the Charity comprises: the Trustees, the Chief Executive Officer, Head of Finance, Head of Legal Aid and Advice Services, Head of Training and Communities and Head of HR and Compliance. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services was £168,480 (2016 - £139,127).

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

8. Tangible fixed assets

Group and Company	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2016	995,000	16,380	66,741	124,835	1,202,956
Additions	-	-	-	3,000	3,000
At 31 March 2017	995,000	16,380	66,741	127,835	1,205,956
Depreciation					
At 1 April 2016	-	16,380	66,741	123,404	206,525
Charge for the year	-	-	-	1,827	1,827
At 31 March 2017	-	16,380	66,741	125,231	208,352
Net book value					
At 31 March 2017	995,000	-	-	2,604	997,604
At 31 March 2016	995,000	-	-	1,431	996,431

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 £1,070,989 (2016 - £1,094,093).

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

9. Fixed asset investments

Company	Shares in group undertakings
Cost	£
At 1 April 2016 and 31 March 2017	100

10. Principal subsidiaries

DHA Support Limited

Subsidiary name	DHA Support Limited
Company registration number	08873510
Basis of control	Wholly owned subsidiary
Equity shareholding	100%
Total assets as at 31 March 2017	£ 2,938
Total liabilities as at 31 March 2017	£ (2,838)
Total equity as at 31 March 2017	£ 100
Turnover for the year ended 31 March 2017	£ 33,634
Expenditure for the year ended 31 March 2017	£ (875)
Profit for the year ended 31 March 2017	£ 32,759

11. Debtors

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	-	1,051	-	-
Amounts owed by group undertakings	-	-	146	-
Prepayments and accrued income	228,892	222,218	228,892	222,218
	228,892	223,269	229,038	222,218

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

12. Creditors: Amounts falling due within one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts	51,579	48,428	51,579	48,428
Trade creditors	-	4,411	-	4,411
Other taxation and social security	38,508	42,696	36,666	40,082
Other creditors	5,734	6,098	5,734	6,098
Accruals and deferred income	77,398	18,126	76,546	17,626
	173,219	119,759	170,525	116,645

Deferred income relates to grants received in advance of its intended purpose.

	Group		Company	
	£	£	£	£
Deferred income				
Resources deferred during the year	18,000	-	18,000	-

13. Creditors: Amounts falling due after more than one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	744,889	775,976	744,889	775,976

Creditors include amounts not wholly repayable within 5 years as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Repayable by instalments	536,497	583,544	536,497	583,544

The Charity has 5 loans in place with the bank with rates of interest at 1% p.a. over base rate, 1% p.a. over base rate, 3.03% p.a. over base rate, 3.03% p.a. over base rate & 2.97% p.a. over base rate and expire on 13 September 2031, 22 January 2034, 12 January 2030, 7 June 2020 and 3 March 2022 respectively.

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

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

14. Financial instruments

	2017 £	2016 £
Financial assets measured at fair value through income and expenditure	83,341	52,412
Financial assets measured at amortised cost	214,574	210,781
	<u>297,915</u>	<u>263,193</u>
Financial liabilities measured at fair value through income and expenditure	796,468	824,404
Financial liabilities measured at amortised cost	65,130	28,635
	<u>861,598</u>	<u>853,039</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at fair value through income and expenditure comprise bank loans.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

15. Prior year adjustment

The Company has adopted the revaluation model for its freehold property. Under FRS 102, revaluations have to be completed on an annual basis, however no revaluation was completed in the prior year. The Trustees have also deemed the residual value of the freehold property to be the revalued amount and thus no depreciation will be charged. This has resulted in an increase to the fixed asset valuation and a decrease in expenditure of £23,104.

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2016 As restated £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
Designated funds					
Land and buildings	184,658	-	-	64,859	249,517
General funds					
General reserves	134,502	782,594	(710,025)	(64,859)	142,212
Total Unrestricted funds	<u>319,160</u>	<u>782,594</u>	<u>(710,025)</u>	<u>-</u>	<u>391,729</u>

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

16. Statement of funds (continued)

Restricted funds

The Big Lottery Fund, Training and Communities	46,586	139,201	(185,787)	-	-
St Annes Advice	-	14,543	(14,543)	-	-
Comic Relief	10,631	31,955	(42,586)	-	-
Severn Trent	-	31,310	(31,310)	-	-
Help Through Crisis	-	95,804	(95,804)	-	-
	<u>57,217</u>	<u>312,813</u>	<u>(370,030)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>376,377</u>	<u>1,095,407</u>	<u>(1,080,055)</u>	<u>-</u>	<u>391,729</u>

Statement of funds - prior year

	Balance at 1 April 2015 £	Income £	Expenditure As restated £	Transfers £	Balance at 31 March 2016 As restated £
Designated funds					
Land and buildings	171,927	-	(13,335)	2,962	161,554
	<u>171,927</u>	<u>-</u>	<u>(13,335)</u>	<u>2,962</u>	<u>161,554</u>
General funds					
General reserves	141,918	755,575	(736,925)	(2,962)	157,606
	<u>141,918</u>	<u>755,575</u>	<u>(736,925)</u>	<u>(2,962)</u>	<u>157,606</u>
Total Unrestricted funds	<u>313,845</u>	<u>755,575</u>	<u>(750,260)</u>	<u>-</u>	<u>319,160</u>
Restricted funds					
The Big Lottery Fund, Training and Communities	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)	-	-
	<u>29,015</u>	<u>233,489</u>	<u>(205,287)</u>	<u>-</u>	<u>57,217</u>
Total of funds	<u>342,860</u>	<u>989,064</u>	<u>(955,547)</u>	<u>-</u>	<u>376,377</u>

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

Summary of funds - current year

	Balance at 1 April 2016 As restated £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
Designated funds	184,658	-	-	64,859	249,517
General funds	134,502	782,594	(710,025)	(64,859)	142,212
	<u>319,160</u>	<u>782,594</u>	<u>(710,025)</u>	<u>-</u>	<u>391,729</u>
Restricted funds	57,217	312,813	(370,030)	-	-
	<u>376,377</u>	<u>1,095,407</u>	<u>(1,080,055)</u>	<u>-</u>	<u>391,729</u>

Summary of funds - prior year

	Balance at 1 April 2015 £	Income £	Expenditure As restated £	Transfers £	Balance at 31 March 2016 As restated £
Designated funds	171,927	-	(13,335)	2,962	161,554
General funds	141,918	755,575	(736,925)	(2,962)	157,606
	<u>313,845</u>	<u>755,575</u>	<u>(750,260)</u>	<u>-</u>	<u>319,160</u>
Restricted funds	29,015	233,489	(205,287)	-	57,217
	<u>342,860</u>	<u>989,064</u>	<u>(955,547)</u>	<u>-</u>	<u>376,377</u>

16. Statement of funds (continued)

Designated funds

The designated 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.

Restricted funds

The Big Lottery Fund, Training and Communities

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

St Annes Advice

To combat the root causes of poverty, promote social inclusion, challenge long-term unemployment, and empower socially excluded people.

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 predominantly starting with water debts.

Help Through Crisis

To draw on the strengths and personal experiences of people facing hardship so that they can overcome immediate difficulties and be ready for opportunities and challenges ahead.

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	997,604	-	997,604
Current assets	312,233	-	312,233
Creditors due within one year	(173,219)	-	(173,219)
Creditors due in more than one year	(744,889)	-	(744,889)
	<u>391,729</u>	<u>-</u>	<u>391,729</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 As restated £	Restricted funds 2016 £	Total funds 2016 As restated £
Tangible fixed assets	996,431	-	996,431
Current assets	218,464	57,217	275,681
Creditors due within one year	(119,759)	-	(119,759)
Creditors due in more than one year	(775,976)	-	(775,976)
	<u>319,160</u>	<u>57,217</u>	<u>376,377</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	Group As restated 2016 £
Net income for the year (as per Statement of Financial Activities)	15,352	10,413
Adjustment for:		
Depreciation charges	1,827	1,098
Increase in debtors	(5,623)	(57,026)
Increase in creditors	50,309	13,777
Net cash provided by/(used in) operating activities	<u>61,865</u>	<u>(31,738)</u>

Direct Help & Advice Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2017

19. Analysis of cash and cash equivalents

	Group	
	2017	2016
	£	£
Cash at bank and in hand	83,341	52,413
Total	83,341	52,413

20. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £18,568 (2016 - £18,379). Contributions totalling £5,734 (2016 - £6,098) were payable to the fund at the balance sheet date and are included in creditors.

21. Operating lease commitments

At 31 March 2017 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
Group and Company		
Amounts payable:		
Within 1 year	13,643	13,643
Between 1 and 5 years	28,099	41,737
Total	41,742	55,380

22. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 5 for the debts and liabilities contracted before he/she ceases to be a member.

23. Related party transactions

The Company has taken advantage of the exemption under Financial Reporting Standard 102 (section 33), not to disclose transactions between entities which form part of the group headed by Direct Help and Advice Limited.