

**Howgill Family Centre**  
(A company limited by guarantee)

**Trustees' report and financial statements**  
**for the year ended 31st March 2017**

**Charity number: 519278**

**Company number: 02045632**

**robinson + co**

**Chartered Accountants**

**Howgill Family Centre**  
**(A company limited by guarantee)**

**MEMBERS OF THE BOARD AND MANAGEMENT AND PROFESSIONAL ADVISERS**

|                                    |  |                         |
|------------------------------------|--|-------------------------|
| <b>Registered charity name</b>     | Howgill Family Centre  |                         |
| <b>Charity number</b>              | 519278   |                         |
| <b>Company registration number</b> | 02045632   |                         |
| <b>Registered office</b>           | Birks Road<br>Cleator Moor<br>Cumbria<br>CA25 5HR  |                         |
| <b>Trustees</b>                    | Brenda Holden  | Chair                   |
|                                    | Neville Denson   | Vice Chair              |
|                                    | Eric Holmes  | Honorary Life President |
|                                    | Ian Harvie   | Treasurer               |
|                                    | Willie Slavin  |                         |
|                                    | Geoff Toogood  |                         |
|                                    | Judith Smith   |                         |
| <b>Chief Executive Officer</b>     | Andrea Hardie-Knight   |                         |
| <b>Accountants</b>                 | Robinson + co., Chartered Accountants<br>72 Lowther Street, Whitehaven, Cumbria, CA28 7AH  |                         |
| <b>Auditors</b>                    | Saint & Co, Chartered Accountants & Statutory Auditor<br>12/13 Church Street, Whitehaven, Cumbria, CA28 7AY                                      |                         |
| <b>Bankers</b>                     | National Westminster Bank plc<br>71 Lowther Street, Whitehaven, Cumbria, CA28 7AG  |                         |
| <b>Solicitors</b>                  | Burnetts Solicitors<br>6 Victoria Place, Carlisle, Cumbria, CA1 1ES<br><br>HTF Gough & Co<br>38/42 Lowther Street, Whitehaven, Cumbria, CA28 7NR |                         |

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Trustees' Annual Report**  
**for the year ended 31st March 2017**

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 March 2017.

**REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

**DIRECTORS/TRUSTEES**

The directors of the charitable company (the charity) are its Trustees for the purpose of the charity law and throughout this report are collectively referred to as Trustees.

The Trustees serving during the year were as follows, and contribute their experience from:

|                   |                     |                  |
|-------------------|---------------------|------------------|
| Brenda Holden     |                     | Education        |
| Neville Denson    |                     | Local government |
| Zena Bergmann     | (resigned 25/4/16)  | Private industry |
| Ian Harvie        |                     | Private industry |
| Eric Holmes       |                     | Private industry |
| Willie Slavin     |                     | Education        |
| Judith Smith      |                     | Finance          |
| Geoff Toogood     |                     | Education        |
| Stephen Asquith   | (resigned 21/10/17) | Finance          |
| Zoe Tremeer -Home | (resigned 1/11/16)  | Law              |
| Andrew Wannacott  | (resigned 27/6/16)  | Local government |

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

**CHAIR'S REPORT**

I cannot believe it is only a year since I wrote my last report – so much has happened at Howgill. We have continued to work hard to ensure the good reputation and standing we have in the community of Copeland.

Howgill's continued success relies on the extremely conscientious, committed and hard-working staff. We have said goodbye to some members of staff and have welcomed others. We have seen some staff take on new roles and watched them grow successfully into them. They are all dedicated professionals who go out of their way to help support and also challenge the families they work with. Their involvement with families can often last for many years (and indeed several generations), usually from the time children are born and sometimes even before then.

This has certainly been an eventful and challenging year. Our Chief Executive, Patrick Leonard, left in November 2016 and we would like to place on record our thanks to him for the 3 years he led Howgill Family Centre.

The Board of Trustees took time to consider options on the management structure required to shape the future of the organisation, and I stepped in on a temporary voluntary basis as acting Chief Executive with the full support and backing of fellow Trustees. After a rigorous two day selection process, our Finance Manager Andrea-Hardie Knight was appointed and took office on 1 May 2017. Andrea knows Howgill well and has many plans for the future direction of the organisation. She has the full support and backing of the Trustees as she leads Howgill to a bright future.

A reshaping of services enabled us to extend the scope and number of our services, under the Early Help contract for Cumbria County Council, as well as other services we provide. Staffing changes saw us saying goodbye to a manager and practitioners and we would like to thank them for the commitment they gave to Howgill over the years of their involvement.

The way the staff rallied and worked together to ensure there was no disruption to any services and service users is commendable. I would like to thank fellow Trustees and all staff for coping so well during this period of change.

As we lost three Trustees in 2016, we are actively recruiting new members to further strengthen the Board. Do please let us know at any time if you think you have something to offer or if you know anyone with the skills, experience and time to give to this vital role.

Howgill Family Centre has always been an organisation that adapts to change and we look forward to working alongside all our employees as they develop, adapt and deliver the services our community needs.

Brenda Holden  
Chair of the Board of Trustees

# **Howgill Family Centre**

## **(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

Howgill Family Centre is a company limited by guarantee and the roles and responsibilities are laid down in the Memorandum and Articles of Association dated 12<sup>th</sup> June 1986 and amended on 9<sup>th</sup> December 2004.

#### **Appointment of Trustees**

The Board of Trustees is responsible for the organisation in all respects and are elected by all Members at the Annual General Meeting. Under the Articles of Association there is no maximum number of Trustees and the minimum number is three.

Howgill recruits Trustees as volunteers for their skills in safeguarding, education, business, legal, financial, marketing and communications, public health or social care. Trustees are sought in a variety of ways involving exploration of the field of potential candidates, including through advertising and by recommendation from service users, members, officers and existing Trustees.

We are actively looking to recruit new Trustees and are undertaking a review to identify the skills that are required to ensure that we can operate effectively as a team. We aim to assess the implications of the Charity Governance Code 2017 for our charity, and take steps to ensure that we adopt those aspects of the Code that are relevant to us. We are aware that a number of our Trustees have been in office for an extended time, but face challenges in recruiting committed individuals to our Board in the location where we operate.

#### **Trustee induction and training**

We ensure that all new Trustees understand their responsibilities to the charity and carry out their duties based upon the principals of "Good Governance", A Code for the Voluntary and Community Sector, First Edition June 2005 and the guidance issued by the Charity Commission for England and Wales. All new Trustees undertake an induction programme.

#### **Organisational structure**

Trustees meet as a full Board at least 6 times during the year but more often should the need arise. Sub-committees and task groups of Trustees, co-opted members and officers may be convened when appropriate and report to the Board.

Howgill's Trustees have clearly defined roles and responsibilities and we have drawn up job descriptions for all Trustees, Chair and Treasurer. However, we encourage all Trustees to become as involved as they possibly can in the life and work of the organisation. It is so important that the Board understands fully what is involved so that they can make important strategic decisions and carry out their function efficiently.

The Chief Executive manages the day-to-day operations of the charity. Trustees have delegated responsibility to the Chief Executive to allow effective management over service delivery, finance and employment.

# **Howgill Family Centre**

## **(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

### **Organisational structure (continued)**

The Chief Executive is supported by a Management Team consisting of the managers of the key operational areas of our activities: Business, Finance, Early Years, Millom Centre, Family Support, Child and Family Health and Adult Learning.

At 31 March 2017, we had 27 full time and 39 part time employees (this includes 7 bank staff).

The continued success of our organisation relies on the core of volunteers who freely give their time, energy and expertise within all levels of the organisation. Their contribution to strategic direction, staff recruitment, external representation and service delivery is invaluable and hugely appreciated by Trustees who are themselves volunteers. In the last year 45 volunteers have regularly contributed to the work of the organisation.

### **Key management and personnel remuneration**

The Trustees consider the Board of Trustees and the Chief Executive, aided by the Management Team, as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running the operation of the charity on a day to day basis.

All Trustees give of their time freely and no remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 12 and 23 to the accounts.

The pay of the charity's Chief Executive and senior staff is reviewed annually and assessed in accordance with average earnings. The remuneration is also benchmarked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### **Partnership**

In line with Howgill's objectives, many of the initiatives that are developed and delivered gain from the involvement and support of other charitable, voluntary and public sector bodies, including schools, colleges and universities, as well as commercial businesses. This can be in the form of co-working, mutual support and direct funding.

Charities and organisations who have worked in partnership with us during the last year include: Cumbria County Council, Copeland Community Fund, Cumbria Community Foundation, BBC Children In Need, Heritage Lottery Young Roots Fund, Arts Council England, Grizedale Arts, Phyllis Harney Trust, North Lakes Foodbank, Vertex, Tesco, Buttle Trust, Cleator Bus, Cumbria CVS, Citizens Advice Bureau, Nuclear Decommissioning Agency (NDA), University of Central Lancashire (UCLan), Action for Children, Whitehaven, Egremont & District Credit Union, CADAS, Cumbria Youth Alliance, Inspira, Copeland Borough Council, Dioceses of Carlisle and Lancaster, Lakes College West Cumbria, Young Cumbria, Impact Housing, Whitehaven Foyer, Townscape Heritage Initiative, Phoenix Youth Centre, Francis C Scott Charitable Trust, University of Cumbria, Whitehaven Harbour Youth Project, Cumbria Partnership NHS Foundation Trust, Barnardo's, West Cumberland Hospital and many local schools, too numerous to mention individually.

We have also formed a partnership with M&W Group (Sellafield contractors) to provide project management, time and labour to refurbish our Birks Road premises.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

**Risk Assessment**

The Trustees have examined the major strategic and operational risks to which the organisation is exposed and confirm that systems are in place to mitigate these. The key risks that have been identified are collated together with the scope of the risk, action taken to mitigate that risk and the assessment of the degree to which that risk is being managed, in line with best practice. The developed Risk Register is updated and reviewed twice yearly by the Board. Action to address risk will be planned and monitored in these six-monthly reviews and used to update the Risk Register.

The Board is kept apprised on the fulfilment of appropriate responsibilities. The Risk Register is a component of the business plan of the Board.

The two main risks to our charity are the loss of long term funding and maintaining appropriate staffing levels and skills to allow us to deliver effective services to as many people as possible. We aim, on a regular basis, to review the services we provide together with the level of funding that is required, and are alert to opportunities to increase the sources of our funding. We continue to provide training opportunities for employees and volunteers to maximise our skills base, and also offer career progression opportunities when these become available.

**OBJECTIVES AND ACTIVITIES**

The Charity is established to promote any charitable purpose for the benefit of the inhabitants of Copeland in West Cumbria, including the advancement of education and the provision of facilities for recreation and leisure time occupation, in the interests of social welfare and with the objective of improving the condition of life of those inhabitants.

Howgill aims to provide support to children and families with particular emphasis on the disadvantaged.

Over the last year it has done this by:

- Providing Early Help services for vulnerable children that prevent families getting into crisis
- Operating Sure Start Children's Centres in North Copeland on behalf of Cumbria County Council
- Delivering Early Years Childcare & Education for 2-4 year olds
- Providing childcare for 0-5 years nursery provision in Cleator Moor
- Improving child and family health, with a focus on the first 1,000 days
- Providing intensive support to many families

We are dedicated to providing high quality services open to external inspection, evaluation and assessment. Premises and activities are registered with Ofsted where appropriate. Distinctive services are provided to children and families based on trusting relationships. Quarterly audits, undertaken by Cumbria County Council, ensure we remain on track to deliver our Early Help contract and help build positive relationships.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

**OBJECTIVES AND ACTIVITIES (continued)**

Our Early Years provision continues at our settings at Catherine Street, Birks Road, Valley and Kells. The nursery at Birks Road has been extremely successful and popular. During the last 12 months our Early Years provision has been inspected by Ofsted on 3 occasions – Birks Road in December 2016, Valley in January 2017 and The Kabin in February 2017. We are delighted to report that all areas in all settings were graded as Good. The Early Years provision at Catherine Street was last inspected in December 2014 and was graded as Outstanding. Our congratulations and appreciation goes to all involved with our Early Years. We have close to 100 children each day who benefit from this high quality provision.

We are committed to people's growth and development. By increasing aspirations and expectations, service users, parents, carers, children, volunteers and employees, are encouraged to learn and progress towards fulfilling their potential. We aim to build the capacity and resilience of local communities.

Our approach is collaborative. Families are at the centre of what we do and we have high expectations of the adults in the relationship. There is a recognition that people we work with have responsibilities too – to act safely and responsibly. Our aim is to foster greater independence and resilience. We believe that people can address the issues they face – recognising that they may need support in the forms of information, skills and confidence to enable them to do so. We will enable people, when they are ready, to move beyond the point where Howgill's support is required. Former service users are encouraged to become volunteers, sponsors and patrons.

As an organisation, Howgill is committed to a policy of Equal Opportunities for children, families, volunteers and employees. The Equalities Award was developed in response to the Equality Act 2010, and Howgill gained the status in 2014 following an audit of equalities practice.

The safeguarding of all children is a priority concern and all staff and volunteers, including Trustees, are regularly trained in safeguarding. Staff and volunteers have a clear pathway for reporting concerns as soon as they arise. Safer Recruitment practices are rigorously deployed, including obtaining enhanced Disclosure and Barring Service (DBS) checks (renewed every three years) on Trustees, employees and volunteers. Training is recorded and monitored to ensure that employees' qualifications, especially in safeguarding and first aid, are kept up-to-date. There is a designated Safeguarding Lead and an in-house Safeguarding Team to drive continuous improvement.

Trustees have regard to the Charity Commission's guidance on public benefit when reviewing Howgill's aims and objectives and in planning future activities. Howgill fulfils its public benefit objectives through its support to children and families with particular emphasis on the vulnerable and disadvantaged.



**Howgill Family Centre**  
**(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

**ACHIEVEMENTS**

Howgill continues to deliver a major contract providing Early Help services for vulnerable children. The emphasis is to intervene early, at the first point at which concerns are raised about a child. Referrals are received from a wide range of agencies, the majority from midwives, health visitors and primary schools. Howgill's support aims to prevent families getting into crisis that could arise if the child's difficulties escalate to such an extent parents and carers are unable to cope. In the long run this approach helps to reduce the number of children who have to be supported through statutory care.

Howgill has continued to operate Sure Start Children's Centres in Copeland on behalf of Cumbria County Council. Howgill's deep roots in local communities provide distinctive strengths in drawing in some of the most disadvantaged families who, in other parts of England, have been less willing to engage with Children's Centre activities and this has been reflected in the strong partnerships and relationships that have been established at all our settings.

Trustees view the provision of Early Years Learning for 2-4 year olds as an integral part of Howgill's offer, enabling the organisation to reinforce the support it provides that ensures children are receiving the best start, especially as they prepare to enter formal nursery education. There is great continuity in Howgill's relationship with families, which will often have started at the prenatal stage and can continue as the children move towards adolescence and even into adulthood.

Specific achievements during the past year include:

- Delivered services and support to over 3000 people in and around Whitehaven, Hensingham, Cleator Moor, Egremont and Millom.
- Continued to ensure the CCC Early Help contract is fully operational, ensuring new employees are trained to comply with procedures and fulfilling requirements covering referral, assessment and reporting. From evidence of regular CCC audits we are doing well.
- Continued to deliver high quality family support, health and well-being and learning services that benefit children and families in Copeland, especially the most disadvantaged, in line with the Early Help contract.
- Implemented an Early Years Plan that takes into account changes in population, government policy and best practice, realigning activities with emerging trends and widening our provision to cover the full range of pre-school children from 0-5.
- Continued to invest in developing our future Early Years workforce. The lead given by our Early Years Manager is evident in the outcomes from the three Ofsted Inspections, as well as the growing popularity of our settings.
- Ran successful support groups for young, vulnerable teenage girls.
- Diversified sources of income, securing more support from corporate businesses and attracted more commissions from health and other funding bodies. In common with all other charities we can only deliver services if we have the funding. This is always an ongoing priority.

# **Howgill Family Centre**

## **(A company limited by guarantee)**

**Trustees' Annual Report (continued)**  
**for the year ended 31st March 2017**

### **ACHIEVEMENTS (continued)**

- Continued a joint venture in collaboration with Impact Housing Association to create a Whitehaven Foyer to support young people aged 16-24. The refurbished site and new accommodation facility was officially opened by HRH The Prince of Wales in April 2017.
- Began to modernise ICT provision and introduced Wi-Fi and videoconferencing. This is part of a phased introduction of new technology.
- Launched our Pre-birth and beyond project with the Copeland Mayor Mike Starkie and Copeland Community Fund. This is now fully implemented and we have expanded the core offer for mothers and babies.
- Continued to provide training opportunities for our staff in many areas, including to graduate and postgraduate level.

### **FINANCIAL REVIEW AND RESERVES**

At 31 March 2017 the charity held total reserves of £600,324 (2016: £731,384), with restricted funds of £216,545 (2016: £240,299) and unrestricted funds of £383,779 (2016: £491,085). The free reserves at 31 March 2017, being unrestricted funds not invested in fixed assets, were £383,779 (2016: £361,085), and are held to enable the organisation to continue its operational activities in the event of any reduction or cessation of funding.

The reserves policy has been established to mitigate the main financial risks facing the charity. The Trustees aim to maintain those unrestricted funds that are not committed or invested in tangible fixed assets at a level to provide working capital covering 3 to 6 months of expenditure relating to normal activities and anticipated service delivery. It is expected that, for the next few years, the level of these reserves will need to be maintained at approximately £400,000.

The Trustees consider that the charity is adequately funded to meet its current obligations.

Early Help 0-12 services have been supported by Cumbria County Council Early Help 0-12 contract, Copeland Community Fund and The Phyllis Harney Trust.

Youth Services have been supported by the BBC Children in Need grant.

Nursery Provision has been supported by Cumbria County Council Two-Year-Old Entitlement, Early Support grant, Fee income and Nursery grant funding.

In 2012, the Trustees paid £130,000 as a programme related investment in The Whitehaven Foyer, a registered charity, to help fund the acquisition of premises in Whitehaven and develop an integrated provision of accommodation, support training for Young People in West Cumbria, particularly when homeless. During the year to 31 March 2017, the Trustees agreed to convert the programme related investment into a grant, with a condition that it will become repayable, in full or in part, should The Whitehaven Foyer dispose of its premises within the next 30 years. Howgill retains a second charge on these premises at 44 Irish Street, Whitehaven as protection for its funding.

**Howgill Family Centre**  
**(A company limited by guarantee)**

Trustees' Annual Report (continued)  
for the year ended 31st March 2017

**PLANS FOR FUTURE PERIODS**

Over the next 12 months Howgill's plans can be summarised as follows:

- To manage our budget efficiently, by holding regular budget meetings and monitoring income and expenditure.
- To ensure we have a suitably qualified, well trained workforce to deliver our plans by providing opportunities for staff to attend regular training.
- To recruit new Trustees with relevant experience and expertise.
- Continue to provide high quality family support, health and well-being and learning services that benefit children and families in Copeland, especially the most disadvantaged, in line with the Early Help contract.
- Deliver the Healthy Child Programme and work more closely with health visitors and practitioners.
- Continue to deliver the 10 projects outlined in our Service Delivery Plan – Nurturing Parenthood; Intensive Family Support (*including 'Focus Families'*); Increasing Child and Family Cohesiveness and Self-esteem; Support for Children with Special Educational Needs and Disabilities (SEND); Therapeutic Intervention; Pre-Birth and Beyond; Breastfeeding Support (individual and group support); Healthy Eating, Active Families; Home Learning; Steps into Work.
- Continue to look for opportunities to extend the range and scope of our services in line with current thinking and service user need and demand.
- Replace and improve facilities and services in the Kells area of Whitehaven where our children lose several sessions, especially in winter, when we are forced to close the Kabin due to windy or inclement weather.
- Complete phase 1 of the refurbishment of our Birks Road premises with M&W to create office space and relocate staff and redecorate the service delivery areas.
- Make further improvements to our Catherine Street premises. The windows have been replaced but the inside of the building needs attention and we need to enhance our outdoor play area.

**Howgill Family Centre**  
**(A company limited by guarantee)**

Trustees' Annual Report (continued)  
for the year ended 31st March 2017

**Trustees' responsibilities in relation to the financial statements**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

Saint & Co., Statutory Auditor, are deemed to be re-appointed as auditors to the charity under section 487(2) of the Companies Act 2006.

The annual report was approved by Trustees of Howgill Family Centre on 8/12/17 and signed on its behalf by:



Mrs Brenda Holden

Chair

**HOWGILL FAMILY CENTRE  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOWGILL FAMILY CENTRE  
YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Howgill Family Centre for the year ended 31 March 2017 which comprise the statement of financial activities (including income and expenditure account), balance sheet, cash flow statement and the related notes, including a summary of significant accounting policies. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity'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 charity'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 charity and the charity'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 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 financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 144 of the Charities Act 2011 and report in accordance with those acts.

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**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 its incoming resources and application of resources, 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.

**HOWGILL FAMILY CENTRE  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOWGILL FAMILY CENTRE  
YEAR ENDED 31 MARCH 2017**

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion based on the work undertaken in the course of the audit:

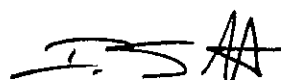
- the information given in the strategic report and Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and;
- the trustees' report incorporating the strategic report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual Report.

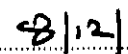
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime when not eligible and to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the trustees report.



IAN SCOTT (Senior Statutory Auditor)  
For and on behalf of SAINT & CO  
Chartered Accountants and Statutory Auditors

12/13 Church Street  
Whitehaven  
Cumbria  
CA28 7AY

 2017

**Howgill Family Centre**  
(A company limited by guarantee)

**Statement of financial activities (incorporating the income and expenditure account)**

**For the year ended 31st March 2017**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income</b>                                |       |                            |                          |                    |                    |
| Donations and legacies                       | 3     | 12,302                     | -                        | 12,302             | 10,801             |
| Income from charitable activities            | 4     | -                          | 1,205,168                | 1,205,168          | 1,241,495          |
| Income from other trading activities:        |       |                            |                          |                    |                    |
| Activities for generating funds              | 5     | 78,582                     | -                        | 78,582             | 88,079             |
| Investment income                            | 6     | 213                        | -                        | 213                | 243                |
| <b>Total income</b>                          |       | <u>91,097</u>              | <u>1,205,168</u>         | <u>1,296,265</u>   | <u>1,340,618</u>   |
| <b>Expenditure</b>                           |       |                            |                          |                    |                    |
| Costs of raising funds:                      |       |                            |                          |                    |                    |
| Fundraising trading:                         |       |                            |                          |                    |                    |
| cost of goods sold and other costs           | 7     | -                          | -                        | -                  | 718                |
| Charitable activities                        | 8, 9  | 68,403                     | 1,228,922                | 1,297,325          | 1,325,018          |
| Exceptional costs of charitable activities   | 11    | 130,000                    | -                        | 130,000            | 81,572             |
| <b>Total expenditure</b>                     |       | <u>198,403</u>             | <u>1,228,922</u>         | <u>1,427,325</u>   | <u>1,407,308</u>   |
| <b>Net income/(expenditure) for the year</b> |       | (107,306)                  | (23,754)                 | (131,060)          | (66,690)           |
| <b>Total funds brought forward</b>           |       | <u>491,085</u>             | <u>240,299</u>           | <u>731,384</u>     | <u>798,074</u>     |
| <b>Total funds carried forward</b>           |       | <u>383,779</u>             | <u>216,545</u>           | <u>600,324</u>     | <u>731,384</u>     |

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 17 to 31 form an integral part of these financial statements.

**Howgill Family Centre**  
(A company limited by guarantee)

**Balance sheet**  
**as at 31st March 2017**

|   | Notes | 2017           | 2016           |
|---|-------|----------------|----------------|
|   |       | £              | £              |
| <b>Fixed assets</b>                                   |       |                |                |
| Tangible assets                                       | 16    | 220,897        | 232,223        |
| Programme related investments                         | 17    | -              | 130,000        |
|   |       | <u>220,897</u> | <u>362,223</u> |
| <b>Current assets</b>                                 |       |                |                |
| Debtors   | 18    | 110,482        | 111,256        |
| Cash at bank and in hand                              |       | 352,337        | 326,724        |
|   |       | <u>462,819</u> | <u>437,980</u> |
| <b>Creditors: amounts falling due within one year</b> | 19    | (83,392)       | (68,819)       |
| <b>Net current assets</b>                             |       | <u>379,427</u> | <u>369,161</u> |
| <b>Net assets</b>                                     |       | <u>600,324</u> | <u>731,384</u> |
| <b>Funds</b>  | 21    |                |                |
| Restricted income funds                               |       | 216,545        | 240,299        |
| Unrestricted income funds                             |       | 383,779        | 491,085        |
| <b>Total funds</b>                                    |       | <u>600,324</u> | <u>731,384</u> |

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies .

The financial statements were approved by the board on 8<sup>th</sup> December 2017 and signed on its behalf by

*Ian Harvie*

Ian Harvie  
Trustee

Registration number 02045632

The notes on pages 17 to 31 form an integral part of these financial statements.



**Howgill Family Centre**  
**(A company limited by guarantee)**

**Cash flow statement**  
**for the year ended 31st March 2017**

|  | Notes | 2017<br>£ | 2016<br>£ |
|--|-------|-----------|-----------|
| <b>Net cash provided by/(used in) operating activities</b> | 27    | 41,489    | (98,188)  |
| <b>Cash flows from investing activities</b>                |       |           |           |
| Interest and dividends                                     |       | 213       | 243       |
| Purchase of tangible fixed assets                          |       | (16,089)  | (12,697)  |
| <b>Net cash used in investing activities</b>               |       | (15,876)  | (12,454)  |
| <b>Change in cash and cash equivalents in the year</b>     |       | 25,613    | (110,642) |
| <b>Cash and cash equivalents brought forward</b>           |       | 326,724   | 437,366   |
| <b>Cash and cash equivalents carried forward</b>           |       | 352,337   | 326,724   |

The notes on pages 17 to 31 form an integral part of these financial statements.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

**1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The presentational currency of the company is sterling.

**1.2. Income**

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

(a) Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

(b) Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

(c) Gifts donated for resale are included as income within activities for generating funds when they are sold.

(d) Income from the charity shop is included in the year in which it is receivable.

(e) Income from investments is included in the year in which it is receivable.

(f) Income from grants, where related to specific performance conditions, are accounted for as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, receipt of the income is probable and the amount can be measured with sufficient reliability.

(g) Income or grants received in advance are held in deferred income. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**1.3. Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and those incurred in activities that raise funds.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for Early Help 0-12, Youth Services, Nursery Provision and The Whitehaven Foyer programme. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Charitable expenditure in connection with the Sure Start programme is comprised entirely of depreciation on fixed assets purchased via this programme.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are allocated between Early Help 0-12, Youth Services and Nursery Provision based on total direct project expenditure.

**1.4. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

|                              |   |  |
|------------------------------|---|--|
| Freehold land and buildings  | - | Straight line over fifty years           |
| Leasehold land and buildings | - | Straight line over the life of the lease |
| Fixtures and fittings        | - | 10% straight line                        |
| Motor vehicles               | - | 10-20% straight line                     |
| IT equipment                 | - | 25% straight line                        |
| Outdoor play equipment       | - | 50% straight line                        |
| Other equipment              | - | 4-20% straight line                      |

Fixed assets costing less than £500 are not capitalised.

**1.5. Programme related investments**

Programme related investments are included in the balance sheet at the amount invested less any impairments and any amounts repaid. Impairments are charged to resources expended on charitable activities in the statement of financial activities. Similarly, a loan subsequently converted into a grant is charged to charitable activities.

Where a gain is made on disposal of a programme related investment, then the gain is either set off against any prior impairment loss or included as a gain on disposal of fixed assets for the charity's own use and recorded under other incoming resources in the statement of financial activities.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**1.6. Financial Instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**1.7. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.8. Defined contribution pension schemes**

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

**2 Statutory information**

Howgill Family Centre is a private company, limited by guarantee, domiciled in England and Wales, registration number 02045632. The registered office is Birks Road, Cleator Moor, Cumbria, CA25 5HR. The company is a registered charity, number 519278.

**3. Donations and legacies**

|                      | Unrestricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|----------------------|----------------------------|--------------------|--------------------|
| Donations            | 9,302                      | 9,302              | 8,801              |
| Employment Allowance | 3,000                      | 3,000              | 2,000              |
|                      | <u>12,302</u>              | <u>12,302</u>      | <u>10,801</u>      |

In 2016 all of the income from donations and legacies was attributable to unrestricted income funds.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

| 4. Income from charitable activities            | Restricted<br>funds | 2017<br>Total    | 2016<br>Total    |
|---|---------------------|------------------|------------------|
|   | £                   | £                | £                |
| Copeland Community Fund - Grow Our Own          | (1,288)             | (1,288)          | 9,083            |
| Cumbria CC - Two Year Old Funding Entitlement   | 104,217             | 104,217          | 126,057          |
| Cumbria CC - Early Support Grant                | 9,175               | 9,175            | 9,914            |
| Copeland Borough Council - Pre Birth            | 16,667              | 16,667           | -                |
| Cumbria CC - Copeland Area Local Committee      | 6,008               | 6,008            | -                |
| Copeland Community Fund - Youth Work            | 1,502               | 1,502            | -                |
| Arts Council                                    | -                   | -                | 15,000           |
| Police and Crime Commissioner                   | -                   | -                | (1,600)          |
| Cumbria CC - Early Help 0-12 Contract           | 916,444             | 916,444          | 916,444          |
| Buttle Trust                                    | -                   | -                | 130              |
| Barnardos - MyTime Cumbria                      | 33,297              | 33,297           | 8,605            |
| BBC CIN - Youth Project                         | 28,500              | 28,500           | 16,500           |
| Cumbria CC - Nursery Grant                      | 22,805              | 22,805           | 13,167           |
| Heritage Lottery Fund                           | 18,750              | 18,750           | 18,750           |
| Cumbria CC - Winter Warmth Grant                | 6,000               | 6,000            | 6,000            |
| Cumbria Community Foundation - Educational Fund | -                   | -                | 9,000            |
| The Phyllis Harney Trust                        | 10,000              | 10,000           | 12,700           |
| Dobies Charitable Trust                         | 300                 | 300              | -                |
| Sutton Trust - Parental Engagement Fund         | -                   | -                | 42,500           |
| Copeland Community Fund - Progression           | 25,078              | 25,078           | 25,079           |
| West Cumbria Probation Fund                     | -                   | -                | 10,000           |
| Sellafield Charity Snowball                     | 1,750               | 1,750            | 1,450            |
| Inspira - Friday Night Football                 | 5,240               | 5,240            | 2,716            |
| NUGEN - Youth Generation                        | 723                 | 723              | -                |
|   | <u>1,205,168</u>    | <u>1,205,168</u> | <u>1,241,495</u> |

In 2016 all of the income from charitable activities was attributable to restricted income funds.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**5. Income from other trading activities**

|  | Unrestricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|----------------------------|--------------------|--------------------|
| Shop income                            | 15                         | 15                 | 2,096              |
| Fundraising events                     | 463                        | 463                | 940                |
| Use of facilities                      | 17,836                     | 17,836             | 17,585             |
| The Whitehaven Foyer service provision | 4,999                      | 4,999              | 417                |
| Fee income                             | 37,422                     | 37,422             | 32,684             |
| Training income                        | -                          | -                  | 3,000              |
| Activity income                        | 1,671                      | 1,671              | 1,248              |
| Contract refunds                       | 132                        | 132                | -                  |
| NMRU                                   | 54                         | 54                 | 1,664              |
| Cumbria Family Arts Network            | 1,350                      | 1,350              | 2,807              |
| Staff external secondment              | 14,640                     | 14,640             | 25,426             |
| Howgill Development Trust              | -                          | -                  | 212                |
|  | <u>78,582</u>              | <u>78,582</u>      | <u>88,079</u>      |

In 2016 all of the income from other trading activities was attributable to unrestricted income funds.

**6. Investment income**

|                          | Unrestricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--------------------------|----------------------------|--------------------|--------------------|
| Bank interest receivable | 213                        | 213                | 243                |
|                          | <u>213</u>                 | <u>213</u>         | <u>243</u>         |

In 2016 all of the investment income was attributable to unrestricted income funds.

**7. Costs of raising funds**

|                    | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--------------------|--------------------|--------------------|
| Fundraising events | -                  | 718                |
|                    | <u>-</u>           | <u>718</u>         |

In 2016 all of the costs of raising funds were attributable to unrestricted funds.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**8. Costs of charitable activities - by fund type**

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Early Help 0-12                                      | 67,715                     | 837,409                  | 905,124            | 910,929            |
| Youth Services                                       | 485                        | 52,744                   | 53,229             | 75,373             |
| Nursery Provision                                    | 203                        | 331,562                  | 331,765            | 331,509            |
| Sure Start   | -                          | 7,207                    | 7,207              | 7,207              |
|  | <u>68,403</u>              | <u>1,228,922</u>         | <u>1,297,325</u>   | <u>1,325,018</u>   |
| Exceptional costs of charitable activities (note 11) | 130,000                    | -                        | 130,000            | 81,572             |
|  | <u>198,403</u>             | <u>1,228,922</u>         | <u>1,427,325</u>   | <u>1,406,590</u>   |

In 2016 of the costs of charitable activities, £1,267,165 were attributable to restricted funds, with the balance of £139,425 being unrestricted.

**9. Costs of charitable activities - by activity**

|  | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|---|-----------------------|--------------------|--------------------|
| Early Help 0-12                                      | 651,653                                   | 253,471               | 905,124            | 910,929            |
| Youth Services                                       | 34,861                                    | 18,368                | 53,229             | 75,373             |
| Nursery Provision                                    | 236,254                                   | 95,511                | 331,765            | 331,509            |
| Sure Start   | 7,207                                     | -                     | 7,207              | 7,207              |
|  | <u>929,975</u>                            | <u>367,350</u>        | <u>1,297,325</u>   | <u>1,325,018</u>   |
| Exceptional costs of charitable activities (note 11) | 130,000                                   | -                     | 130,000            | 81,572             |
|  | <u>1,059,975</u>                          | <u>367,350</u>        | <u>1,427,325</u>   | <u>1,406,590</u>   |

For analysis of support costs, see Note 10.

**Howgill Family Centre**  
(A company limited by guarantee)

**Notes to financial statements**  
**for the year ended 31st March 2017**

**10. Analysis of support costs**

|  | Early Help<br>0-12<br>£ | Youth<br>Services<br>£ | Nursery<br>Provision<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|-------------------------|------------------------|---------------------------|--------------------|--------------------|
| Staff costs                              | 128,896                 | 9,340                  | 48,570                    | 186,806            | 210,313            |
| Operating lease payments                 | 11,352                  | 823                    | 4,278                     | 16,453             | 16,843             |
| Health and safety                        | 11,699                  | 848                    | 4,408                     | 16,955             | 15,420             |
| Premises costs                           | 26,934                  | 1,952                  | 10,149                    | 39,035             | 40,993             |
| Transport costs                          | 6,885                   | 499                    | 2,594                     | 9,978              | 7,204              |
| Auditors' remuneration                   | 3,519                   | 255                    | 1,326                     | 5,100              | 4,554              |
| Communication and information technology | 17,027                  | 1,234                  | 6,416                     | 24,677             | 19,112             |
| Depreciation and Impairment              | 11,887                  | 861                    | 4,479                     | 17,227             | 16,475             |
| Other admin costs                        | 35,272                  | 2,556                  | 13,291                    | 51,119             | 50,855             |
|  | <u>253,471</u>          | <u>18,368</u>          | <u>95,511</u>             | <u>367,350</u>     | <u>381,769</u>     |

Support costs are allocated between Early Help 0-12, Youth Services and Nursery Provision based on total direct project expenditure. On this basis 69% of support costs are allocated to Early Help 0-12, 5% to Youth Services and 26% to Nursery Provision. For the year ended 31 March 2016 69% of support costs were allocated to Early Help 0-12, 6% to Youth Services and 25% to Nursery Provision.

**11. Exceptional costs of charitable activities**

|   | Unrestricted<br>funds<br>£ | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|---|----------------------------|--------------------|--------------------|
| Conversion of programme related investment into grant | 130,000                    | 130,000            | -                  |
| Dilapidation costs                                    | -                          | -                  | 64,468             |
| Loss on disposal of tangible fixed assets             | -                          | -                  | 17,104             |
|   | <u>130,000</u>             | <u>130,000</u>     | <u>81,572</u>      |

In 2012, the Trustees paid £130,000 as a programme related investment in The Whitehaven Foyer, a registered charity with similar aims and objectives to Howgill Family Centre, to help fund the acquisition of premises in Whitehaven and develop an integrated provision of accommodation, support training for Young People in West Cumbria, particularly when homeless. During the year to 31 March 2017, the Trustees agreed to convert the programme related investment into a grant, with a condition that it will become repayable, in full or in part, should The Whitehaven Foyer dispose of its premises within the next 30 years. Howgill retains a second charge on these premises at 44 Irish Street, Whitehaven as protection for its funding.

During the year ended 31 March 2016 the charity ceased to occupy the premises at Howgill Street, Whitehaven and incurred exceptional relocation costs totalling £81,572. Of these costs £64,468 relates to dilapidation costs charged to the charity's unrestricted funds and £17,104 relates to loss on disposal of tangible fixed assets at Howgill Street, £16,076 of which was charged to restricted funds, the balance of £1,028 being charged to unrestricted funds.



**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**12. Net income/(expenditure) for the year**

|  | <b>2017</b>    | <b>2016</b>   |
|--|----------------|---------------|
|  | <b>£</b>       | <b>£</b>      |
| Net (expenditure)/income is stated after charging:               |                |               |
| Depreciation and other amounts written off tangible fixed assets | 27,415         | 26,475        |
| Operating lease rentals  |                |               |
| - Plant and machinery  | -              | 352           |
| - Land and buildings   | 16,453         | 16,491        |
| Auditors' remuneration   | 5,100          | 4,554         |
| Exceptional items (note 11)                                      | <u>130,000</u> | <u>81,572</u> |

**13. Employees**

| <b>Employment costs</b> | <b>2017</b>    | <b>2016</b>    |
|-------------------------|----------------|----------------|
|                         | <b>£</b>       | <b>£</b>       |
| Wages and salaries      | 879,422        | 881,343        |
| Social security costs   | 57,368         | 56,176         |
| Pension costs           | 26,128         | 26,417         |
| Redundancy costs        | 6,513          | 1,467          |
|                         | <u>969,431</u> | <u>965,403</u> |

**Number of employees**

No employee received emoluments of more than £60,000 (2016: None).

The average monthly numbers of employees (including the trustees) during the year, was as follows:

|                               | <b>2017</b>   | <b>2016</b>   |
|-------------------------------|---------------|---------------|
|                               | <b>Number</b> | <b>Number</b> |
| Provision of services         | 49            | 54            |
| Management and administration | 9             | 11            |
|                               | <u>58</u>     | <u>65</u>     |

Trustees are not remunerated. Expenses of £214 were reimbursed to 1 trustee for directly incurred travel costs (2016: £68 to 1 trustee).

Staff were seconded from Cumbria Partnership NHS Foundation Trust during the year at a cost of £18,142 (2016: £19,519).

The key management personnel of the charity comprise the trustees and Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £32,576 (2016: £49,762).

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**14. Pension costs**

The company operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £26,128 (2016: £26,417). Contributions amounting to £243 are included in creditors at the year end (2016: £nil).

|                | 2017          | 2016          |
|----------------|---------------|---------------|
|                | £             | £             |
| Pension charge | <u>26,128</u> | <u>26,417</u> |

**15. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

| 16. Tangible fixed assets | Land and<br>buildings<br>freehold<br>£ | Short<br>leasehold<br>property<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£     |
|---------------------------|--|-------------------------------------|---|------------------------|----------------|
| <b>Cost</b>               |  |                                     |   |                        |                |
| At 1st April 2016         | 159,780                                | 263,487                             | 166,789                                     | 9,040                  | 599,096        |
| Additions                 | -                                      | 9,838                               | 6,251                                       | -                      | 16,089         |
| At 31st March 2017        | <u>159,780</u>                         | <u>273,325</u>                      | <u>173,040</u>                              | <u>9,040</u>           | <u>615,185</u> |
| <b>Depreciation</b>       |  |                                     |   |                        |                |
| At 1st April 2016         | 50,263                                 | 183,986                             | 123,584                                     | 9,040                  | 366,873        |
| Charge for the year       | 3,196                                  | 10,764                              | 13,455                                      | -                      | 27,415         |
| At 31st March 2017        | <u>53,459</u>                          | <u>194,750</u>                      | <u>137,039</u>                              | <u>9,040</u>           | <u>394,288</u> |
| <b>Net book values</b>    |  |                                     |   |                        |                |
| At 31st March 2017        | <u>106,321</u>                         | <u>78,575</u>                       | <u>36,001</u>                               | <u>-</u>               | <u>220,897</u> |
| At 31st March 2016        | <u>109,517</u>                         | <u>79,501</u>                       | <u>43,205</u>                               | <u>-</u>               | <u>232,223</u> |

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**17. Programme related investments**

|                        | Loans<br>£     | Total<br>£     |
|------------------------|----------------|----------------|
| <b>Cost</b>            |                |                |
| At 1st April 2016      | 130,000        | 130,000        |
| Disposals              | (130,000)      | (130,000)      |
| At 31st March 2017     | <u>-</u>       | <u>-</u>       |
| <b>Net book values</b> |                |                |
| At 31st March 2016     | <u>130,000</u> | <u>130,000</u> |

In 2012, the Trustees paid £130,000 as a programme related investment in The Whitehaven Foyer, a registered charity, to help fund the acquisition of premises in Whitehaven and develop an integrated provision of accommodation, support training for Young People in West Cumbria, particularly when homeless. During the year to 31 March 2017, the Trustees agreed to convert the programme related investment into a grant, with a condition that it will become repayable, in full or in part, should The Whitehaven Foyer dispose of its premises within the next 30 years. Howgill retains a second charge on these premises at 44 Irish Street, Whitehaven as protection for its funding.

**18. Debtors**

|                                | 2017<br>£      | 2016<br>£      |
|--------------------------------|----------------|----------------|
| Other debtors                  | 62,193         | 60,024         |
| Prepayments and accrued income | 48,289         | 51,232         |
|                                | <u>110,482</u> | <u>111,256</u> |

**19. Creditors: amounts falling due within one year**

|                                 | 2017<br>£     | 2016<br>£     |
|---------------------------------|---------------|---------------|
| Trade creditors                 | 39,656        | 32,604        |
| Other taxes and social security | 15,583        | 14,056        |
| Other creditors                 | 243           | -             |
| Accruals and deferred income    | 27,910        | 22,159        |
|                                 | <u>83,392</u> | <u>68,819</u> |

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**20. Financial instruments**

The carrying amount for each category of financial instrument is as follows:

|  | 2017<br>£     | 2016<br>£     |
|--|---------------|---------------|
| <b>Financial assets that are debt instruments measured at amortised cost</b> |               |               |
| Other debtors  | 62,193        | 60,024        |
|  | <u>62,193</u> | <u>60,024</u> |
| <b>Financial liabilities measured at amortised cost</b>                      |               |               |
| Trade creditors  | 39,656        | 32,604        |
| Other creditors  | 243           | -             |
| Accruals   | 27,910        | 22,159        |
|  | <u>67,809</u> | <u>54,763</u> |

**21. Analysis of net assets between funds**

|   | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund balances at 31st March 2017 as represented by: |                                    |                                  |                             |
| Tangible fixed assets                               | -                                  | 220,897                          | 220,897                     |
| Current assets                                      | 383,779                            | 79,040                           | 462,819                     |
| Current liabilities                                 | -                                  | (83,392)                         | (83,392)                    |
|   | <u>383,779</u>                     | <u>216,545</u>                   | <u>600,324</u>              |
|   |                                    |                                  |                             |
|   | Unrestricted<br>2016<br>£          | Restricted<br>2016<br>£          | Total<br>2016<br>£          |
| Fund balances at 31st March 2016 as represented by: |                                    |                                  |                             |
| Tangible fixed assets                               | -                                  | 232,223                          | 232,223                     |
| Investment assets                                   | 130,000                            | -                                | 130,000                     |
| Current assets                                      | 361,085                            | 76,895                           | 437,980                     |
| Current liabilities                                 | -                                  | (68,819)                         | (68,819)                    |
|   | <u>491,085</u>                     | <u>240,299</u>                   | <u>731,384</u>              |

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**22. Analysis of movements in unrestricted funds**

|               | At<br>1 April<br>2016<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At<br>31 March<br>2017<br>£ |
|---------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| General funds | <u>491,085</u>             | <u>91,097</u>              | <u>(198,403)</u>           | <u>383,779</u>              |

**Analysis of movements in unrestricted funds - previous year**

|               | At<br>1 April<br>2015<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At<br>31 March<br>2016<br>£ |
|---------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| General funds | <u>532,105</u>             | <u>99,123</u>              | <u>(140,143)</u>           | <u>491,085</u>              |

**Purposes of unrestricted funds**

General funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**23. Analysis of movements in restricted funds**

|                        | At<br>1 April<br>2016<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At<br>31 March<br>2017<br>£ |
|------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| Sure Start funds       | 158,517                    | -                          | (7,207)                    | 151,310                     |
| Other restricted funds | 81,782                     | 1,205,168                  | (1,221,715)                | 65,235                      |
|                        | <u>240,299</u>             | <u>1,205,168</u>           | <u>(1,228,922)</u>         | <u>216,545</u>              |

**Analysis of movements in restricted funds - previous year**

|                        | At<br>1 April<br>2015<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At<br>31 March<br>2016<br>£ |
|------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| Sure Start funds       | 176,518                    | -                          | (18,001)                   | 158,517                     |
| Other restricted funds | 89,451                     | 1,241,495                  | (1,249,164)                | 81,782                      |
|                        | <u>265,969</u>             | <u>1,241,495</u>           | <u>(1,267,165)</u>         | <u>240,299</u>              |

**Purposes of restricted funds**

Incoming resources shown as restricted funds are raised and given for specific purposes and projects. The conditions governing the income or grants restrict these funds and when these conditions have been met any balance may become unrestricted and can be used as a contribution to the charity's unrestricted funds.

Sure Start funds relate to the delivery of the Sure Start Copeland Whitehaven local programme. Howgill Family Centre ceased to be the accountable body for this programme on 31 March 2006 and the balance on this fund is represented entirely by fixed assets purchased via this programme.

Other restricted funds relate to the delivery of services in respect of Early Help 0-12, Youth Services, Nursery Provision and capital developments.

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

**24. Financial commitments**

At 31 March 2017 the company had financial commitments under non-cancellable operating leases, as set out below, in respect of the premises at Birks Road, Cleator Moor, which expires on 21 February 2018, and the service contract with Peninsula Business Services for HR services which expires on 31 March 2020.

|                            | Land and buildings |               | Other         |               |
|----------------------------|--------------------|---------------|---------------|---------------|
|                            | 2017               | 2016          | 2017          | 2016          |
|                            | £                  | £             | £             | £             |
| <b>Payable:</b>            |                    |               |               |               |
| Within one year            | 16,453             | 16,453        | 9,881         | 9,881         |
| Between one and five years | -                  | -             | 19,761        | 29,642        |
|                            | <u>16,453</u>      | <u>16,453</u> | <u>29,642</u> | <u>39,523</u> |

**25. Related party transactions**

Mr W Slavin, Mr I Harvie and Mr E Holmes, trustees of Howgill Family Centre, are also trustees of Howgill Development Trust. The charity received grants of £nil (2016: £212) during the year from Howgill Development Trust on an arm's length basis.

Mr W Slavin, a trustee of Howgill Family Centre, is a trustee of Cumbria Community Foundation. The charity received grants (as detailed in note 4) of £nil (2016: £9,000) during the year from Cumbria Community Foundation on an arm's length basis.

Mr W Slavin and Mrs J Smith, trustees of Howgill Family Centre, and Dr P J Leonard, who acted as chief executive of Howgill Family Centre for part of the year, were also trustees of The Whitehaven Foyer for either all or part of the year. At 31 March 2016 Howgill Family Centre had a £130,000 programme related investment in The Whitehaven Foyer. During the year ended 31 March 2017 the Trustees of Howgill Family Centre agreed to convert the programme related investment into a grant, with a condition that it will become repayable, in full or in part, should The Whitehaven Foyer dispose of its premises within the next 30 years. Howgill retains a second charge on these premises at 44 Irish Street, Whitehaven as protection for its funding.

In addition to the above, Howgill Family Centre received income from The Whitehaven Foyer for service provision amounting to £4,999 (2016: £417). The amount owing from The Whitehaven Foyer at the year end was £nil (2016: £417).

Mrs J Smith, a trustee of Howgill Family Centre, was also a trustee of Kirkgate Arts for part of the year. In the year ended 31 March 2017 Kirkgate Arts paid Howgill Family Centre £nil (2016: £200) towards the Cumbria Arts Network.

**26. Indemnity insurance**

The charity paid for the insurance premiums to indemnify trustees and senior staff from any loss arising from neglect or defaults of trustees or staff and any consequent loss. The cost of this insurance was £868 (2016: £831).

**Howgill Family Centre**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31st March 2017**

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

|  | 2017          | 2016            |
|--|---------------|-----------------|
|  | £             | £               |
| Net movement in funds  | (131,060)     | (66,690)        |
| Add back depreciation charge and loss on disposal              | 27,415        | 43,579          |
| Add back conversion of programme related investment into grant | 130,000       | -               |
| Deduct interest income shown in investing activities           | (213)         | (243)           |
| (Increase)/decrease in debtors                                 | 774           | (33,163)        |
| (Decrease)/increase in creditors                               | 14,573        | (41,671)        |
| <b>Net cash provided by/(used in) operating activities</b>     | <u>41,489</u> | <u>(98,188)</u> |

**28. Analysis of changes in net funds**

|                          | Opening<br>balance | Cash<br>flows | Closing<br>balance |
|--------------------------|--------------------|---------------|--------------------|
|                          | £                  | £             | £                  |
| Cash at bank and in hand | 326,724            | 25,613        | 352,337            |
| <b>Net funds</b>         | <u>326,724</u>     | <u>25,613</u> | <u>352,337</u>     |

**29. Company limited by guarantee**

Howgill Family Centre is a company limited by guarantee and accordingly does not have a share capital.

The guarantors are the members and the liability in respect of the guarantee as set out in the memorandum is limited to £1 per member.