

REGISTERED COMPANY NUMBER: 3525955
REGISTERED CHARITY NUMBER: 1073291



**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2017
for
Independence Initiative Limited**

SB&P LLP
Oriel House
2-8 Oriel Road
Bootle
Merseyside
L20 7EP

Independence Initiative Limited

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for the Year Ended 31 March 2017

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Independence Initiative Limited

Report of the Trustees for the Year Ended 31 March 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Aims and Objects of the Charity are:

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

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

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

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

The charity's definition of 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: substance abuse or dependency including alcohol and drugs; ill health (physical or mental); relationship and family breakdown; domestic violence; unemployment; financial hardship; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).

Significant activities

The unique selling point of the organisation is that it offers its services to recovering substance misusers primarily in a one-to-one setting. Referrals can only be accepted from GPs or Key Workers at the other agencies. Each client is assessed and an individual action plan is negotiated that meets their short, medium and long-term aspirations.

The one-to-one environment, the values of the organisation and the human resources of the Independence Initiative are essential to its future success. This is the same for The Key, our new transitional housing unit based at our Balliol Road site. An evaluation of The Key carried out by Liverpool School of Tropical Medicine concluded that it is an excellent service and should be grown accordingly. These factors are considered to be a significant strength of the Independence Initiative and clients consider the programme to be more relevant and appropriate to their needs compared to existing alternatives.

Benchmarking by JMU Department of Public Health will identify critical success factors and highlight the ethos that is embedded in the Independence Initiative culture.

Public benefit

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

The public benefits are to help reduce crime, the cost to society of criminality and the fear of crime, lower the levels of ill health, emergency attendances at A&E and the number of in-patient nights, help reduce the impact of addiction on children, families and the wider community and motivate clients to develop the skills required to overcome benefits dependency and enter employment.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The number of people that became service users of the Independence Initiative in the year was 159. We were able to meet, and on occasions exceed, the standards and outcomes required in our contract. We had 10 residents in The Key. The Independence Initiative continues to perform at a high level.

The range of opportunities provided to service users remains as varied as ever, based as it is on their individual aspirations. Their programme of activities is produced after a negotiation about what they believe will help them on their road to recovery.

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The core activity was funded from the income we earn from our Service Level Agreement with Sefton Council. This funding continued in 2016/17. We also were successful in securing a contract with the Workers Educational Association (WEA) to deliver employability skills to residents of Sefton. This was part funded by European Social Fund monies, and is worth £33,000 to the Independence Initiative

The funding settlement from the local authorities required only that the organisation should provide services to substance misusers for a period of not less than 12 weeks.

2016/17 was another year of adjustment for many organisations, including charities like the Independence Initiative. The service remained open 5 days per week and the organization began to successfully diversify income streams to avoid over reliance on a single source or contract and provide a more sustainable mix of income generation for the future.

The addition of our part time Business Development Manager has seen a great increase in our income from grants and foundation funding. Part of this success has been because we have applied the 1-2-1 model to a wider group of clients (including existing users) and approach new funders with a distinctive 'offer'. This means a wider group of beneficiaries having to be considered but still focused on clients experiencing severe and multiple disadvantage - Combinations of crime, substances, homelessness and mental health issues to be considered.

The Key has grown over the year. With the assistance of Sovini Charitable Company we were able to construct a further 2 ensuite rooms, taking our total capacity to 7 rooms. During the year our occupancy grew from 2 residents in April 16 to 6 in March 17. An evaluation of the service carried out by Liverpool School of Tropical Medicine concluded that for clients who are already on the road to recovery from substance misuse, the Key is a great place to be and provides services that clients consider to be great value for their money. Clients consider the programme to be more relevant and appropriate to their needs compared to existing alternatives. Residents at "The Key" receive high quality accommodation within a supportive and caring environment. Clients depend on the great rapport and support they enjoy from the staff of the Key and a great institutional culture has been developed over many years. This is considered a significant strength of The Key and expansion plans must focus on how to preserve this legacy.

The Independence Initiative were successful in applying for several grants during the year:

Santander	£5,000	Communities Solution Fund 2016
Help the Homeless	£1,000	Building costs in The Key
John Moores Foundation	£5,000	Delivery of specialist interventions
Sovini	£7,000	Building costs in The Key
Lloyds Foundation	£15,000	Staffing costs in The Key
Clothworkers Foundation	£10,000	Building costs in The Key
Trusthouse Foundation	£9,750	Delivery of specialist interventions
Hemby Trust	£1,000	Building costs in The Key
PH Holt	£5,000	Staffing costs in The Key/Day Programme
Eleanor Rathbone Trust	£4,000	Delivery of specialist interventions to Females
Workers Educational Association	£33,000	Delivery of Employability Skills (Part funded by ESF)

The charity Choose Life continues to rent accommodation and services at the Baillo! Road premises. We have also welcomed Merseyspring CIC as a new tenant during the year

A decision was taken towards the end of the financial year to take out a loan for £15,000 with Nationwide Corporate Finance in order to assist with cash flow. This will be repaid over a 3 year period.

FINANCIAL REVIEW

Reserves policy

As an organisation with ever-increasing demand for its services, the board of trustees believes that it is necessary for the Charity to be able to maintain free reserves within a range that equates to between 3 and 6 months of resources expended in general funds. This range is not currently maintained and the trustees continue to regularly monitor the level of reserves and are implementing strategies in order to achieve this policy. As part of the evaluation findings the Board recognises the need for diversifying income generation going forward.

The designated cessation fund has been set aside by the charity trustees/directors in the event of the charity winding up its activities.

Independence Initiative Limited

Report of the Trustees for the Year Ended 31 March 2017

FUTURE PLANS

The Charity's Memorandum and Articles were revised during the previous year. The purpose of this was to broaden the permitted objects sufficiently enough to allow the charity to provide a complimentary service to other agencies who assist those who are socially excluded by reason of drugs, alcohol or other related causes, and to recognise and respond to the perceived needs of recovering clients with complex needs, and to provide support for their families. We will look to grow this area of our service in the future.

Ongoing strategic plans currently include the growth of the residential unit (The Key) on site that provides a safe place for residents that still need some support before making the transition to their own tenancy. We have established a partnership in this venture, with One Vision Housing. "The Key" will provide supported living for a 9-12 month period to people moving on with addiction recovery.

The main focus of our core funder, Sefton Borough Council, continues to be to help people recover from problematic substance and or alcohol dependency with provision of Employment Training and Education (ETE) support.

The Charity remains well placed to provide the services required by the four Merseyside local authorities because the National Treatment Agency (NTA) has called for services that provide clients with individual routes out of addiction. However this will become more difficult as these authorities face serious financial constraints. Liverpool City Council outsourced their Drug Treatment provision from 2016/17 and this has had a significant effect on the Independence Initiative.

The Independence Initiative service is designed to meet the needs of each individual in a one-to-one setting and continues to be more flexible and person-centred than group based treatments and activities the only services, by and large, provided by our competitors.

The well-established Psycho-Social Wraparound Interventions that help service users achieve long-term change and re-enter mainstream society continue to be our core activity.

Identifying new income streams to replace ever dwindling voluntary contract funding has become the main growth area for the charity, and this will continue over the next 5 years.

Planning permission was granted in 2009 for the erection of a 10 bedroom extension to the Balliol Road site, which is owned by the Charity. Bids will continue to be prepared when funding opportunities become available. The original planning permission was for a period of 3 years, a successful application for an extension to this permission was completed in October 2012. This permission is now on hold in agreement with Sefton MBC and can be re-opened at the appropriate time. The Management Team continue to investigate potential revenue stream for the residential unit.

Consortium membership is likely to be crucial as opportunities to bid for funding are likely to be restricted by commissioners to bids from lead partners representing consortia. To this end the Independence Initiative continues to establish networks and membership of such partnerships at every opportunity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

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

Induction and training of new trustees

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

Related parties

No transactions occurred during the year with related parties.

Risk management

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

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

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

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

Internal risk is assessed with all staff members..

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

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

Mobile phones are provided for all staff required to work off-site in the community and Managers are on-call 24 hours a day 7 days a week to support staff in the 1-2-1 Detox Unit.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3525955 (England and Wales)

Registered Charity number

1073291

Registered office

64-68 Balliol Road
Bootle
Liverpool
Merseyside
L20 7EJ

Trustees

Graham Kay	- resigned 31.5.17
Celia Blackburn	
Nigel Edmund Bellamy	
Stuart Creak	
William Bowley	
Jon Wild	
Andrea Dolan	- appointed 21.9.16
Barry Canning Eaton	- appointed 21.9.16
Sarah Liprot	- appointed 21.9.16

Independence Initiative Limited

**Report of the Trustees
for the Year Ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

Suzanne Draper
FCCAACA
SB&P LLP
Chartered Accountants
Oriol House
2/8 Oriol Road
Bootle
Merseyside
L20 7EP

Bankers

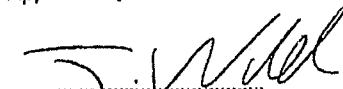
HSBC Bank plc
197 Stanley Road
Bootle
Liverpool
Merseyside
L20 3DX

Solicitors

Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

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

Approved by order of the board of trustees on 11/1/18 and signed on its behalf by:


.....
Jon Wild - Trustee

**Independent Examiner's Report to the Trustees of
Independence Initiative Limited**

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

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2017.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement - matters of concern identified

I have completed my examination.

In connection with my examination, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the charity's ability to continue as a going concern. The charity reported a deficit of £62,519 (2016: deficit £34,490), this resulted in a net current liability position of £25,206 at the year end. Without secured future sources of income the financial viability of the charity is uncertain.

These conditions as explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the charity's ability to continue as a going concern. The accounts do not include the adjustments that would result if the charity was unable to continue as a going concern.

I confirm that no other matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; and
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



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

Date: 15/1/2018

Independence Initiative Limited

Statement of Financial Activities
(incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		32,750	43,564	76,314	9,815
Charitable activities					
Addiction support services		117,080	-	117,080	255,734
Detox 1-2-1		-	-	-	1,041
Other trading activities	2	30,127	-	30,127	-
Total		179,957	43,564	223,521	266,590
EXPENDITURE ON					
Raising funds	3	-	-	-	258
Charitable activities					
Addiction support services		243,725	28,467	272,192	282,415
Detox 1-2-1		1,741	2,107	3,848	4,407
Other		-	-	-	14,000
Total		245,466	30,574	276,040	301,080
NET INCOME/(EXPENDITURE)		(65,509)	12,990	(52,519)	(34,490)
RECONCILIATION OF FUNDS					
Total funds brought forward		90,941	24,364	115,305	149,795
TOTAL FUNDS CARRIED FORWARD		25,432	37,354	62,786	115,305

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Independence Initiative Limited

Balance Sheet
At 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	8	55,271	37,353	92,624	79,818
CURRENT ASSETS					
Debtors	9	16,666	-	16,666	16,401
Cash at bank and in hand		323	1	324	30,770
		<u>16,989</u>	<u>1</u>	<u>16,990</u>	<u>47,171</u>
CREDITORS					
Amounts falling due within one year	10	(42,196)	-	(42,196)	(11,684)
NET CURRENT ASSETS/(LIABILITIES)		<u>(25,207)</u>	<u>1</u>	<u>(25,206)</u>	<u>35,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>30,064</u>	<u>37,354</u>	<u>67,418</u>	<u>115,305</u>
CREDITORS					
Amounts falling due after more than one year	11	(4,632)	-	(4,632)	-
NET ASSETS		<u>25,432</u>	<u>37,354</u>	<u>62,786</u>	<u>115,305</u>
FUNDS	15				
Unrestricted funds				25,432	90,941
Restricted funds				37,354	24,364
TOTAL FUNDS				<u>62,786</u>	<u>115,305</u>

The notes form part of these financial statements

Independence Initiative Limited

**Balance Sheet - continued
At 31 March 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

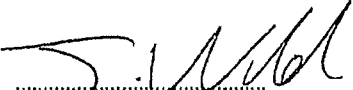
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on11/11/18..... and were signed on its behalf by:


.....
Jon Wild - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on the going concern basis. The Board of Trustees have considered a period of 15 months from the date of approval of the financial statements. Reserves are currently forecast to be available until at least March 2019, with a forecast surplus of £18,463.

The charity made losses of £34,490 in the preceding year and a further £52,519 in the current year. This has resulted in a current liability position of £25,206 (2016: current asset £35,487).

The trustees and management continue to closely monitor the charity's finances in order to make certain it remains in a position to meet its short term liabilities as they fall due, and to be able to discharge any outstanding liabilities in the event of a winding up. No adjustments have been made in these accounts to reflect the position if the charity ceased to be a going concern.

Income

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

Expenditure

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

Tangible fixed assets

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

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

Freehold property	- straight line basis over 24 yrs
Fixtures and fittings	- 25% straight line basis

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

Taxation

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

Fund accounting

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

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

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

Independence Initiative Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

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

2. OTHER TRADING ACTIVITIES

	31.3.17	31.3.16
	£	£
Accommodation fees	<u>30,127</u>	<u>-</u>

3. RAISING FUNDS

Raising donations and legacies

	31.3.17	31.3.16
	£	£
Support costs	<u>-</u>	<u>258</u>

4. NET INCOME/(EXPENDITURE)

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

	31.3.17	31.3.16
	£	£
Depreciation - owned assets	<u>6,192</u>	<u>5,645</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

	31.3.17	31.3.16
	£	£
Trustees' expenses	<u>80</u>	<u>258</u>

6. STAFF COSTS

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

	31.3.17	31.3.16
Chief Executive	1	1
Client Support Services	16	16
Management & Admin	2	2
Fundraising	1	1
General Charitable Activities	6	6
	<u>26</u>	<u>26</u>

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	9,815	9,815
Charitable activities			
Addiction support services	255,734	-	255,734
Detox 1-2-1	1,041	-	1,041
Total	<u>256,775</u>	<u>9,815</u>	<u>266,590</u>
EXPENDITURE ON			
Raising funds	258	-	258
Charitable activities			
Addiction support services	266,139	16,276	282,415
Detox 1-2-1	4,407	-	4,407
Other	-	14,000	14,000
Total	<u>270,804</u>	<u>30,276</u>	<u>301,080</u>
NET INCOME/(EXPENDITURE)	<u>(14,029)</u>	<u>(20,461)</u>	<u>(34,490)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	104,970	44,825	149,795
TOTAL FUNDS CARRIED FORWARD	<u>90,941</u>	<u>24,364</u>	<u>115,305</u>

8. TANGIBLE FIXED ASSETS	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2016	111,000	52,002	163,002
Additions	19,000	-	19,000
Transfer to ownership	-	(2)	(2)
At 31 March 2017	<u>130,000</u>	<u>52,000</u>	<u>182,000</u>
DEPRECIATION			
At 1 April 2016	32,663	50,521	83,184
Charge for year	5,418	774	6,192
At 31 March 2017	<u>38,081</u>	<u>51,295</u>	<u>89,376</u>
NET BOOK VALUE			
At 31 March 2017	<u>91,919</u>	<u>705</u>	<u>92,624</u>
At 31 March 2016	<u>78,337</u>	<u>1,481</u>	<u>79,818</u>
9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		31.3.17	31.3.16
		£	£
Trade debtors		3,470	12,458
Amounts recoverable on contract		7,000	-
Other debtors		5,220	-
Prepayments		976	3,943
		<u>16,666</u>	<u>16,401</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		31.3.17	31.3.16
		£	£
Bank loans and overdrafts (see note 12)		9,679	-
Hire purchase (see note 13)		9,307	-
Trade creditors		1,253	1,626
Social security and other taxes		13,954	4,792
Other creditors		4,645	212
Accrued expenses		3,358	5,054
		<u>42,196</u>	<u>11,684</u>
11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
		31.3.17	31.3.16
		£	£
Hire purchase (see note 13)		<u>4,632</u>	<u>-</u>

Independence Initiative Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

12. LOANS

An analysis of the maturity of loans is given below:

	31.3.17 £	31.3.16 £
Amounts falling due within one year on demand:		
Bank overdraft	<u>9,679</u>	<u>-</u>

13. LEASING AGREEMENTS

	Hire purchase contracts	
	31.3.17 £	31.3.16 £
Net obligations repayable:		
Within one year	9,307	-
Between one and five years	<u>4,632</u>	<u>-</u>
	<u>13,939</u>	<u>-</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.17 £	31.3.16 £
Hire purchase contracts	<u>13,939</u>	<u>-</u>

The re-financing agreement is secured against the assets to which it relates, a first charge against all properties acquired by the charity in the future, and a first charge against any present or future interests of the charity not effectively mortgaged or charged.

15. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	68,496	(63,840)	4,656
Cessation fund	<u>22,445</u>	<u>(1,669)</u>	<u>20,776</u>
	90,941	(66,509)	25,432
Restricted funds			
Sefton DAAT - Capital	16,520	(1,091)	15,429
South Sefton Development Trust	3,373	(226)	3,148
Knowsley PCT - Computers	16	(16)	-
Big Lottery	1,140	(670)	570
Hemby Trust	-	958	958
Awards for All	3,315	(3,315)	-
The Clothworkers	-	9,583	9,583
Sovini Restricted Donation	-	6,708	6,708
Help the Homeless	-	958	958
	<u>24,364</u>	<u>12,990</u>	<u>37,354</u>
TOTAL FUNDS	<u>115,305</u>	<u>(52,519)</u>	<u>62,786</u>

Independence Initiative Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	179,957	(243,797)	(63,840)
Cessation fund	-	(1,669)	(1,669)
	<u>179,957</u>	<u>(245,466)</u>	<u>(65,509)</u>
Restricted funds			
Sefton DAAT - Capital	(1)	(1,090)	(1,091)
Lloyds TSB	15,090	(15,090)	-
Hemby Trust	1,000	(42)	958
Awards for All	-	(3,315)	(3,315)
Intermediate Labour Market	9,475	(9,475)	-
The Clothworkers	10,000	(417)	9,583
Sovini Restricted Donation	7,000	(292)	6,708
Help the Homeless	1,000	(42)	958
South Sefton Development Trust	-	(225)	(225)
Knowsley PCT - Computers	-	(16)	(16)
Big Lottery	-	(570)	(570)
	<u>43,564</u>	<u>(30,574)</u>	<u>12,990</u>
TOTAL FUNDS	<u><u>223,521</u></u>	<u><u>(276,040)</u></u>	<u><u>(52,519)</u></u>

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

17. RESTRICTED FUNDS

Sefton DAAT - Capital Fund

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

Knowsley PCT

This fund represents a grant awarded towards the cost of computer equipment.

SSDT

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

Liverpool City Council - Transformation Fund

This fund represents a grant awarded towards the cost of a new server and computer equipment. An amount is charged to the fund each year to reflect the movement in the net book value of the computer equipment purchased from this funding.

Lloyds TSB

This fund represents a grant awarded towards the salaries of three detox unit night cover staff. The charity did not incur the level of expenditure it had expected for the project and as a result repaid the above £14,000 during the year.

Big Lottery

This fund represents a grant towards the cost of a new photocopier and support costs for the first twelve months. An amount is charged to the fund each year to reflect the movement in the net book value of the photocopier purchased from this funding.

Awards for All

This fund represents a grant towards the cost of working on a one to one basis with 25 people who are suffering extreme exclusion as a result of substance misuse, mental ill-health, housing, criminality and financial problems to create personal development pathways.

18. UNRESTRICTED FUNDS

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

19. DESIGNATED FUND

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

20. FUND ASSETS AND LIABILITIES

Trustees ensure that the assets and liabilities held in a fund are consistent with the type of fund.

21. CONTROLLING PARTY

The charity is controlled by the board of trustees.

22. FIRST YEAR ADOPTION

This is the first year that the charity has presented its financial statements under Financial Reporting Standard 102 (FRS 102) 1A) issued by the Financial Reporting Council.

The last financial statements, for the year ended 31st March 2016, were prepared under previous UK GAAP. The transition date to FRS 102 is therefore 1st April 2015.

Adopting FRS 102 has meant that a number of accounting policies have been changed to comply with the new standard. The following tables show the effect these changes have had on the previously reported figures.

Independence Initiative Limited

Reconciliation of Income and Expenditure
for the Year Ended 31 March 2016

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
INCOME AND ENDOWMENTS FROM				
Donations and legacies		9,813	2	9,815
Charitable activities		256,775	-	256,775
Total		<u>266,588</u>	<u>2</u>	<u>266,590</u>
EXPENDITURE ON				
Raising funds		-	258	258
Charitable activities		237,023	49,799	286,822
OBSOLETE Governance costs		48,487	(48,487)	-
Other		14,000	-	14,000
Total		<u>299,510</u>	<u>1,570</u>	<u>301,080</u>
NET INCOME/(EXPENDITURE)		<u>(32,922)</u>	<u>(1,568)</u>	<u>(34,490)</u>

Independence Initiative Limited

Reconciliation of Funds
At 1 April 2015
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	8	47,822	37,641	85,463
		<u>47,822</u>	<u>37,641</u>	<u>85,463</u>
CURRENT ASSETS				
Debtors	9	13,957	-	13,957
Cash at bank and in hand		60,752	-	60,752
		<u>74,709</u>	<u>-</u>	<u>74,709</u>
CREDITORS				
Amounts falling due within one year	10	(10,377)	-	(10,377)
		<u>64,332</u>	<u>-</u>	<u>64,332</u>
NET CURRENT ASSETS/(LIABILITIES)				
		<u>112,154</u>	<u>37,641</u>	<u>149,795</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		<u>112,154</u>	<u>37,641</u>	<u>149,795</u>
FUNDS				
Unrestricted funds	15	67,329	37,641	104,970
Restricted funds	15	44,825	-	44,825
		<u>112,154</u>	<u>37,641</u>	<u>149,795</u>
TOTAL FUNDS				
		<u>112,154</u>	<u>37,641</u>	<u>149,795</u>

Independence Initiative Limited

Reconciliation of Funds
At 31 March 2016

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	8	43,745	36,073	79,818
CURRENT ASSETS				
Debtors	9	16,401	-	16,401
Cash at bank and in hand		30,770	-	30,770
		<u>47,171</u>	<u>-</u>	<u>47,171</u>
CREDITORS				
Amounts falling due within one year	10	(11,684)	-	(11,684)
NET CURRENT ASSETS/(LIABILITIES)		<u>35,487</u>	<u>-</u>	<u>35,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>79,232</u>	<u>36,073</u>	<u>115,305</u>
NET ASSETS		<u>79,232</u>	<u>36,073</u>	<u>115,305</u>
FUNDS				
Unrestricted funds	15	54,868	36,073	90,941
Restricted funds	15	24,364	-	24,364
TOTAL FUNDS		<u>79,232</u>	<u>36,073</u>	<u>115,305</u>
