

Company registration number: CE008504

Charity registration number: 1168689

# MICAH LIVERPOOL

Charitable incorporated organisation

Annual Report and Financial Statements

for the period from 9 August 2016 to 31 December 2017

GRC Accountants Limited  
166 Banks Road  
West Kirby  
Merseyside  
CH48 0RH

# MICAH LIVERPOOL

## Contents

Reference and Administrative Details	1
Strategic Report	2 to 4
Trustees' Report	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 13

# MICAH LIVERPOOL

## Reference and Administrative Details

<b>Trustees</b>	Reverend Dr Miranda Threlfall-Holmes Mr Paul Smith Reverend Canon Dr Ellen Loudon Dr Mary Theresa Phillips Ms Elizabeth Collinge Ms Kathryn Yates Ms Helen Randall (resigned 1 June 2018) Reverend Dr Crispin Pailing Mr Nicholas Peter Mendes Reverend Canon Anthony O'Brien Canon Dr Jonathan Richardson Canon William Andrew Holroyd Ms Annette James
<b>Principal Office</b>	3rd Floor Walker House Exchange Flags Liverpool L2 3YL
<b>Company Registration Number</b>	CE008504
<b>Charity Registration Number</b>	1168689
<b>Independent Examiner</b>	GRC Accountants Limited 166 Banks Road West Kirby Merseyside CH48 0RH

# MICAH LIVERPOOL

## Strategic Report for the Period from 9 August 2016 to 31 December 2017

The trustees, who are directors for the purposes of company law, present their strategic report for the period from 9 August 2016 to 31 December 2017, in compliance with s414C of the Companies Act 2006.

### Structure, Governance and Management

Micah Liverpool is a Charitable Incorporated Organisation established on 9th August 2016. It is a social justice charity established to relieve Liverpool residents from social injustice and poverty. We are currently running projects to combat unemployment and deliver emergency food aid and affordable food.

The trustees are responsible for furthering the purposes of the charity according to the objects set out in its governing document. The trustees conduct business through regular meetings whilst management of day to day activities has been delegated to the Executive Director, Paul O'Brien.

### Risk Management

The Trustees established a Business and Risk committee during the year to review, mitigate against and monitor identified risks. The risk management strategy comprises the following:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

### Employees and Volunteers

The day to day activities of the charity are managed by a team of employees and volunteers led by Paul O'Brien as Executive Director. The average number of employees during the year was four, with additional in-kind support provided by employees of Liverpool Cathedral. The trustees are enormously grateful to the team of 20-30 volunteers who support its work each week.

The trustees are grateful to several partner organisations including Liverpool Cathedral, Liverpool Metropolitan Cathedral and St Bride's Church for their support for the work of the charity.

### Objectives and Activities

The Objects of the charity are to relieve in people in poverty in Merseyside, with particular focus on the following:

- Providing food and other household items
- Providing advice and support to overcome financial problems and maximise their income, including the development of Recruitability™ programmes to assist individuals to contribute productively to society
- Raising public awareness of issues relating to poverty, both generally and in relation to social exclusion
- Signposting to relevant information and advisory services
- The preservation and protection of good physical and mental health of individuals, families and the wider community of the area of benefit

## MICAH LIVERPOOL

### Strategic Report for the Period from 9 August 2016 to 31 December 2017

#### Public Benefit

The trustees have considered the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, and in planning future activities. The trustees refer to public benefit throughout this report.

#### Achievements and Performance

##### Volunteer Programme

Micah Liverpool supported Liverpool Cathedrals Volunteer programme, which supported people with the following barriers into employment:

Unemployed

BAME

Mental Health problems

Physical Disabilities

People with offending background

People with a history of alcohol or substance misuse

Single parent

The Volunteer programme has an objective of supporting 72 volunteers per year and supporting 40% of starters in to employment. From the period of 9th August 2016 to 31st December 2017 the Volunteer Programme Supported 181 volunteers with 150 completing the programme and 71 going in to employment. That is a job outcome rate of 39.2% for people who starting the programme and job outcome rate 47.3% for people completing the programme.

##### Foodbank

Micah Liverpool has provided 18470 food parcels to beneficiaries in food poverty from 9th August 2016 to 31st December 2017. At the foodbank we support people who:

Are under sanction from JCP

Changing benefits

Benefit delay

Low Income

In Debt

Homeless

Have ill health

Asylum Seekers

Refugees

## **MICAH LIVERPOOL**

### **Strategic Report for the Period from 9 August 2016 to 31 December 2017**

#### **Financial Review**

##### **Reserves**

The Trustees' have considered the level of reserves the charity requires and have set a minimum reserve sufficient to cover three month's operating activity. The trustees will review this further in 2018 and continue to monitor the charities reserves position regularly.

##### **Funding**

The primary sources of funding are members of the public who support the charity through donations of food and money. The charities general operations were supported by Liverpool Cathedral with a grant of £82,000 in the period to 31st December 2017.

#### **Financial Review**

The charity takes forward the work of the volunteer programme run through Liverpool Cathedral and the Hope+ Food bank which operated through partnership between Liverpool Cathedral, Liverpool Metropolitan Cathedral and St Bride's Church. The period from 9th August 2016 to 31st December 2017 therefore represents the first period of operating as a Charitable Incorporated Organisation. Incoming resources of £407,296 were received during the period, of which £205,093 were in the form of donated food. Outgoing resources of £367,322 were committed during the period. The Statement of Financial Activities shows a net incoming resource of £39,974 and funds carried forward of £39,974.

# MICAH LIVERPOOL

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31 December 2017.

The trustees (who are also the directors of MICAH LIVERPOOL for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Reverend Canon Dr Ellen Loudon  
Trustee

.....  
Canon William Andrew Holroyd  
Trustee

# MICAH LIVERPOOL

## Independent Examiner's Report to the trustees of MICAH LIVERPOOL

I report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 7 to 13 .

### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
Gareth Cooper  
ACCA

166 Banks Road  
West Kirby  
Merseyside  
CH48 0RH

Date:.....



## MICAH LIVERPOOL

### Statement of Financial Activities for the Period from 9 August 2016 to 31 December 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 December 2017 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	<u>117,994</u>	<u>289,302</u>	<u>407,296</u>
Total Income		<u>117,994</u>	<u>289,302</u>	<u>407,296</u>
<b>Expenditure on:</b>				
Charitable activities	4	<u>(104,910)</u>	<u>(262,412)</u>	<u>(367,322)</u>
Total Expenditure		<u>(104,910)</u>	<u>(262,412)</u>	<u>(367,322)</u>
Net income		13,084	26,890	39,974
Transfers between funds		<u>1,399</u>	<u>(1,399)</u>	<u>-</u>
<b>Reconciliation of funds</b>				
Total funds carried forward	8	<u><u>14,483</u></u>	<u><u>25,491</u></u>	<u><u>39,974</u></u>

All of the charity's activities derive from continuing operations during the above period.

# MICAH LIVERPOOL

## (Registration number: CE008504) Balance Sheet as at 31 December 2017

	Note	31 December 2017 £
<b>Current assets</b>		
Stocks	7	6,108
Cash at bank and in hand		<u>33,866</u>
		<u>39,974</u>
<b>Funds of the charity:</b>		
<b>Restricted funds</b>		25,491
<b>Unrestricted income funds</b>		
Unrestricted funds		<u>14,483</u>
<b>Total funds</b>	8	<u>39,974</u>

For the financial period ending 31 December 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 13 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Reverend Canon Dr Ellen Loudon  
Trustee

.....  
Canon William Andrew Holroyd  
Trustee

# MICAH LIVERPOOL

## Notes to the Financial Statements for the Period from 9 August 2016 to 31 December 2017

### 1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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

#### Basis of preparation

MICAH LIVERPOOL meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Income and endowments

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

#### Donations and legacies

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

## MICAH LIVERPOOL

### Notes to the Financial Statements for the Period from 9 August 2016 to 31 December 2017

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Gift aid***

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Taxation**

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

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

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

## MICAHA LIVERPOOL

### Notes to the Financial Statements for the Period from 9 August 2016 to 31 December 2017

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### 3 Income from donations and legacies

	<b>Unrestricted funds</b>		<b>Total 31 December 2017</b>
	<b>General</b>	<b>Restricted funds</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Donations and legacies;			
Donations from individuals	9,789	289,281	299,070
Grants, including capital grants;			
Grants from other charities	108,205	-	108,205
Other income from donations and legacies	-	21	21
	<u>117,994</u>	<u>289,302</u>	<u>407,296</u>

Donations included £205,093 received donations in the form of donated food goods.

#### 4 Expenditure on charitable activities

	<b>Activity undertaken directly</b>	<b>Activity support costs</b>	<b>Total 31 December 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Food parcels from purchased items	22,655	-	22,655
Food parcels from donated goods	198,985	-	198,985
Wages and salaries	-	100,026	100,026
Staff NIC	-	8,034	8,034
Staff pensions	-	6,168	6,168
Sundry	-	29,955	29,955
Travel and subsistence	-	1,499	1,499
	<u>221,640</u>	<u>145,682</u>	<u>367,322</u>

£104,910 of the above expenditure was attributable to unrestricted funds and £262,412 to restricted funds.

## MICAH LIVERPOOL

### Notes to the Financial Statements for the Period from 9 August 2016 to 31 December 2017

#### 5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 7 Stock

	<b>31 December 2017 £</b>
Stocks	<u>6,108</u>

#### 8 Funds

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 December 2017 £</b>
<b>Unrestricted funds</b>				
General	(117,994)	104,910	(1,399)	(14,483)
<b>Restricted funds</b>	<u>(289,302)</u>	<u>262,412</u>	<u>1,399</u>	<u>(25,491)</u>
<b>Total funds</b>	<u>(407,296)</u>	<u>367,322</u>	<u>-</u>	<u>(39,974)</u>

#### 9 Analysis of net assets between funds

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Current assets	<u>14,483</u>	<u>25,491</u>	<u>39,974</u>

## MICAH LIVERPOOL

### Notes to the Financial Statements for the Period from 9 August 2016 to 31 December 2017

#### 10 Analysis of net funds

	At 9 August 2016 £	Cash flow £	At 31 December 2017 £
Cash at bank and in hand	-	33,866	33,866
Net funds	<u>-</u>	<u>33,866</u>	<u>33,866</u>