



**Report of the Trustees and  
Unaudited Financial Statements  
for the Year Ended 31 March 2019  
for  
Independence Initiative Limited**



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2-8 Oriel Road  
Bootle  
Merseyside  
L20 7EP  
[sb-p.co.uk](http://sb-p.co.uk)

**Independence Initiative Limited**

**Contents of the Financial Statements  
for the Year Ended 31 March 2019**

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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 2019. 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 be accepted from GPs or Key Workers at other agencies. Each client is assessed and an individual action plan is negotiated with them 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. The Key, our transitional housing unit based at our Balliol Road site and in houses in the community, has continued to grow at a rapid rate. 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. During this financial year the number of beds available has grown from 11 to 21.

### **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 151. We were able to meet, and on occasions exceed, the standards and outcomes required in our contract. 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 partially funded from the income we earn from our Service Level Agreement with Sefton Council. This funding continued in 2018/19, but will cease on 31/03/2019. For this reason we will be implementing an updated funding strategy that will be based on both income from The Key properties and grant/trust funding.

During this financial year we continued to receive income from two major grants that were received in 2017/18.

- The Steve Morgan Foundation agreed to a sum of £63,000 over 3 years (£21k per annum) towards our core staffing costs
- Peoples Health Trust awarded us £40,049 over 2 years (£30k and £10k)
- We continued with our contract with VOLA to deliver Digital Inclusion skills to residents of Sefton as part of the IT-Mersey contract. Big Lottery Fund is matching their funding with ESF to create the Building Better Opportunities (BBO) initiative which is designed to fund projects to tackle poverty and promote social inclusion for the most disadvantaged. This contract is worth £18,600 to the Independence Initiative

2018/19 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 part time Business Development Manager has continued to result in an increase to 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 was considered to be an important part of our strategy and expansion plans were focussed on how to preserve this legacy. During the year we grew our offer of 7 ensuite rooms at the Balliol Road premises and a 4 bed house in Bootle into an offer of 9 beds at Balliol Road and three 4 bed houses in the community, taking our capacity to 21. Future plans include the addition of further rooms both on site and externally.

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

John Moores Foundation	£4,000	Delivery of specialist interventions
Quaker Housing Trust	£10,000	CAPITAL - new rooms in The Key
Awards for All (Big Lottery)	£10,000	Delivery of specialist interventions
MIND	£9,980	Delivery of specialist interventions for Women
Liverpool CVS	£2,000	Delivery of specialist interventions

The charity Choose Life continues to rent accommodation and services at the Balliol Road premises. Merseyspring CIC also maintained their tenancy during the year.

### Case Studies

All of our clients have a named key worker who follows a programme of Psycho-social support, personal development learning and progression. These staff offer counselling and other relevant motivational support as well as guiding people into external support for mental or physical health problems as required offering our 4 point model of support as follows:

Crisis over: working with individuals to enable them to identify and effectively navigate the immediate problems, challenges, barriers and system-blockages facing them

Firm foundations: We move on to support activities to stabilise people's lives and find that a significant majority of individuals need support to stabilise their living arrangements

Brighter future: for people committed to stabilising recovery, we work to co-design a personalised route forward

Navigation: support and advocacy to enable people to access and maximise impact of local systems and networks.

### MALE Mid-forties

A 45 year old male who had been involved in rough sleeping, criminal justice, drug and alcohol, and mental health systems for last ten years and has not lived independently in that time.

Entered into The KEY Accommodation Service from another supported living project



## ACHIEVEMENT AND PERFORMANCE

### Fundraising activities

His achievements:

- Secured Volunteering position at Bikeright cycle maintenance
- Spent a week away with family in Wales, which he has never been able to do because of his chaotic lifestyle previously
- Managing stress and conflict better which in turn is preventing relapse
- Referral for counselling made into community
- Stabilisation and reduction in alcohol use with a focus on abstinence
- Communication skills improved
- Personal & self-care improving
- Articulating emotions better and engaging better with support staff decreasing emotional outbursts and subsequent relapses
- Increased confidence
- Increased money management and budgeting skills
- Greater emphasis on personal health & well-being, lost weight due to decrease in alcohol use
- Client was resident in The Key for 9 months and was discharged into our partner agency (One Vision Housing) where he was offered a 1 bedroom flat. He is still resident in that property. Greater engagement at mental health services and GP with assistance from support staff at The Key

### FEMALE Mid-fifties

A 56 year old female had been a stay at home mum and had progressed into corporate and hospitality management. Had been a high functioning member of the workforce but due to long hours and pressure of role started use alcohol and cocaine regularly. She lost her family and job due to drug and alcohol usage and was sofa surfing on goodwill of friends and family. She spiraled into a negative cycle of alcohol and drug use, depression and anxiety.

Her achievements:

- Stable accommodation
- Changed relationship with substance misuse
- Secured a Volunteering role with Independence Initiative
- Secured Part-time employment
- Improved confidence
- Improved family relationships
- Improved self-efficacy and had hope for the future
- Regained money management and improved budgetary skills
- Increase ability to source and implement alternative coping strategies for anxiety & depression
- Able to identify transferable skills and reduce skill gaps

## 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.

## **FUTURE PLANS**

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. We have now opened a further two 4-bed units in Bootle to grow this offer, and we have plans to increase our capacity. One of the 4 bed units is a "female only" unit.

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. However, we are aware that this Service Level Agreement will not be renewed in 2019/20 so the Board is considering all funding options as a matter of urgency.

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. However it is important to be aware of the increasing need to work with recovery communities and the inevitable group work that this will involve.

The well-established, intensive one-to-one support and 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 increasingly important 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 retires by rotation each year and are eligible for re-election at the Annual General Meeting.

### **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.

**Report of the Trustees  
for the Year Ended 31 March 2019**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**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**

Celia Blackburn  
Nigel Edmund Bellamy  
Stuart Creak  
William Bowley  
Jon Wild  
Andrea Dolan  
Barry Canning Eaton  
Sarah Greenwood

VICE CHAIR

Treasurer

CHAIR

- resigned 14.3.19

**Independent examiner**

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

**Independence Initiative Limited**

**Report of the Trustees  
for the Year Ended 31 March 2019**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Bankers**

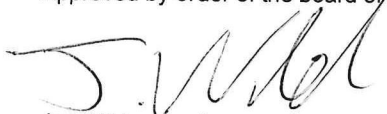
HSBC Bank plc  
197 Stanley Road  
Bootle  
Liverpool  
Merseyside  
L20 3DX

**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 4 October 2019 and signed on its behalf by:



Jon Wild - Trustee

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

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**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 2019.

**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.

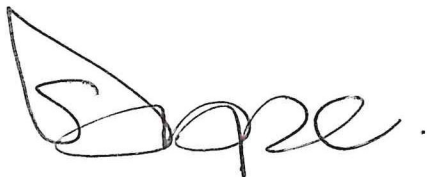
**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA ACA which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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; or
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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



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

4 October 2019

Independence Initiative Limited

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		53,416	55,770	109,186	31,116
<b>Charitable activities</b>					
Addiction support services		188,780	-	188,780	196,313
<b>Total</b>		<b>242,196</b>	<b>55,770</b>	<b>297,966</b>	<b>227,429</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Addiction support services		216,358	55,877	272,235	206,248
Detox 1-2-1		-	-	-	(2,249)
<b>Total</b>		<b>216,358</b>	<b>55,877</b>	<b>272,235</b>	<b>203,999</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>25,838</b>	<b>(107)</b>	<b>25,731</b>	<b>23,430</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		35,224	50,992	86,216	62,786
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>61,062</b>	<b>50,885</b>	<b>111,947</b>	<b>86,216</b>

The notes form part of these financial statements

Independence Initiative Limited

Balance Sheet  
At 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	91,095	50,885	141,980	130,529
<b>CURRENT ASSETS</b>					
Debtors	7	6,958	-	6,958	8,998
Cash at bank and in hand		1,099	-	1,099	618
		<u>8,057</u>	<u>-</u>	<u>8,057</u>	<u>9,616</u>
<b>CREDITORS</b>					
Amounts falling due within one year	8	(38,090)	-	(38,090)	(53,929)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(30,033)</u>	<u>-</u>	<u>(30,033)</u>	<u>(44,313)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>61,062</u>	<u>50,885</u>	<u>111,947</u>	<u>86,216</u>
<b>NET ASSETS</b>		<u>61,062</u>	<u>50,885</u>	<u>111,947</u>	<u>86,216</u>
<b>FUNDS</b>	12				
Unrestricted funds				61,062	35,224
Restricted funds				50,885	50,992
<b>TOTAL FUNDS</b>				<u>111,947</u>	<u>86,216</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 4 October 2019 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. A surplus is forecasted to March 2020 of £10,200 with a further forecast to September 2020 showing a surplus of £5,200.

The charity generated a surplus of £25,731 (2018: £23,430). This has resulted in a current liability position of £30,033 (2018: £44,313).

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 winding up. Short term working capital requirements are met through the use of an approved overdraft facility. No adjustments have been made in these financial statements 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 to residual value of £130,000
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.

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. NET INCOME/(EXPENDITURE)

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

	31.3.19	31.3.18
	£	£
Depreciation - owned assets	549	(37,905)

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**Trustees' expenses**

	31.3.19	31.3.18
	£	£
Trustees' expenses	34	96

4. STAFF COSTS

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

	31.3.19	31.3.18
Chief Executive	1	1
Client Support Services	10	10
Management & Admin	1	1
General Charitable Activities	3	4
	15	16

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

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	31,117	(1)	31,116
<b>Charitable activities</b>			
Addiction support services	196,313	-	196,313
<b>Total</b>	<b>227,430</b>	<b>(1)</b>	<b>227,429</b>

**5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Addiction support services	217,637	(11,389)	206,248
Detox 1-2-1	-	(2,249)	(2,249)
<b>Total</b>	<b>217,637</b>	<b>(13,638)</b>	<b>203,999</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>9,793</b>	<b>13,637</b>	<b>23,430</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	25,432	37,354	62,786
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>35,225</b>	<b>50,991</b>	<b>86,216</b>

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 April 2018	130,000	52,000	182,000
Additions	12,000	-	12,000
At 31 March 2019	142,000	52,000	194,000
<b>DEPRECIATION</b>			
At 1 April 2018	-	51,471	51,471
Charge for year	417	132	549
At 31 March 2019	417	51,603	52,020
<b>NET BOOK VALUE</b>			
At 31 March 2019	141,583	397	141,980
At 31 March 2018	130,000	529	130,529

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19 £	31.3.18 £
Trade debtors	6,958	8,998

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19	31.3.18
	£	£
Bank loans and overdrafts (see note 9)	12,108	12,594
Other loans (see note 9)	12,570	5,000
Hire purchase (see note 10)	-	6,901
Trade creditors	-	3,720
Social security and other taxes	7,114	14,564
Pensions	1,765	2,052
Other creditors	196	3,173
Accrued expenses	4,337	5,925
	<u>38,090</u>	<u>53,929</u>

**9. LOANS**

An analysis of the maturity of loans is given below:

	31.3.19	31.3.18
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	12,108	12,594
Other loans	12,570	5,000
	<u>24,678</u>	<u>17,594</u>

**10. LEASING AGREEMENTS**

	Hire purchase contracts	
	31.3.19	31.3.18
	£	£
Net obligations repayable:		
Within one year	-	6,901
	<u>-</u>	<u>6,901</u>

**11. SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.19	31.3.18
	£	£
Hire purchase contracts	-	6,901
	<u>-</u>	<u>6,901</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.

**12. MOVEMENT IN FUNDS**

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	14,448	25,838	40,286
Cessation fund	20,776	-	20,776
	<u>35,224</u>	<u>25,838</u>	<u>61,062</u>
<b>Restricted funds</b>			
Sefton DAAT - Capital	26,168	-	26,168
South Sefton Development Trust	5,396	-	5,396
Big Lottery	428	(107)	321
Hemby Trust	1,000	-	1,000
The Clothworkers	10,000	-	10,000
Sovini Restricted Donation	7,000	-	7,000
Help the Homeless	1,000	-	1,000
	<u>50,992</u>	<u>(107)</u>	<u>50,885</u>
<b>TOTAL FUNDS</b>	<u>86,216</u>	<u>25,731</u>	<u>111,947</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	242,196	(216,358)	25,838
<b>Restricted funds</b>			
Awards for All	10,000	(10,000)	-
Lloyds Bank Foundation E&W	24,770	(24,770)	-
Steve Morgan Foundation	21,000	(21,000)	-
Big Lottery	-	(107)	(107)
	<u>55,770</u>	<u>(55,877)</u>	<u>(107)</u>
<b>TOTAL FUNDS</b>	<u>297,966</u>	<u>(272,235)</u>	<u>25,731</u>

## 12. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted Funds</b>			
General fund	4,656	9,792	14,448
Cessation fund	20,776	-	20,776
	<u>25,432</u>	<u>9,792</u>	<u>35,224</u>
<b>Restricted Funds</b>			
Sefton DAAT - Capital	15,429	10,739	26,168
South Sefton Development Trust	3,148	2,248	5,396
Big Lottery	570	(142)	428
Hemby Trust	958	42	1,000
The Clothworkers	9,583	417	10,000
Sovini Restricted Donation	6,708	292	7,000
Help the Homeless	958	42	1,000
	<u>37,354</u>	<u>13,638</u>	<u>50,992</u>
<b>TOTAL FUNDS</b>	<u>62,786</u>	<u>23,430</u>	<u>86,216</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	227,430	(217,638)	9,792
<b>Restricted funds</b>			
Sefton DAAT - Capital	-	10,739	10,739
South Sefton Development Trust	(1)	2,249	2,248
Hemby Trust	-	42	42
The Clothworkers	-	417	417
Sovini Restricted Donation	-	292	292
Help the Homeless	-	42	42
Big Lottery	-	(142)	(142)
	<u>(1)</u>	<u>13,639</u>	<u>13,638</u>
<b>TOTAL FUNDS</b>	<u>227,429</u>	<u>(203,999)</u>	<u>23,430</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

## 12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	4,656	35,630	40,286
Cessation fund	20,776	-	20,776
<b>Restricted funds</b>			
Sefton DAAT - Capital	15,429	10,739	26,168
South Sefton Development Trust	3,148	2,248	5,396
Big Lottery	570	(249)	321
Hemby Trust	958	42	1,000
The Clothworkers	9,583	417	10,000
Sovini Restricted Donation	6,708	292	7,000
Help the Homeless	958	42	1,000
	<u>37,354</u>	<u>13,531</u>	<u>50,885</u>
<b>TOTAL FUNDS</b>	<u>62,786</u>	<u>49,161</u>	<u>111,947</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	469,626	(433,996)	35,630
<b>Restricted funds</b>			
South Sefton Development Trust	(1)	2,249	2,248
Awards for All	10,000	(10,000)	-
Lloyds Bank Foundation E&W	24,770	(24,770)	-
Steve Morgan Foundation	21,000	(21,000)	-
Sefton DAAT - Capital	-	10,739	10,739
Big Lottery	-	(249)	(249)
Hemby Trust	-	42	42
The Clothworkers	-	417	417
Sovini Restricted Donation	-	292	292
Help the Homeless	-	42	42
	<u>55,769</u>	<u>(42,238)</u>	<u>13,531</u>
<b>TOTAL FUNDS</b>	<u>525,395</u>	<u>(476,234)</u>	<u>49,161</u>

## 13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.



**14. 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.

**Steve Morgan Foundation**

This fund represents a grant awarded to bring back a five working day week for staff and extend the service to Liverpool clients.

**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.

**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 in the previous year and as a result repaid the above £14,000 during that 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.

**Hemby Trust**

This fund represents a capital grant. 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.

**The Clothworkers**

This fund represents a capital grant. 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.

**Sovini Restricted Donation**

This fund represents a restricted donation. The donation 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.

**Help the Homeless**

This fund represents a capital grant. 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.

**15. 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.

**16. DESIGNATED FUND**

The cessation fund was 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.