



Company number: 1402692

Charity number: 276669

# **Impact Initiatives**

(A company limited by guarantee)

## **Financial Statements – 31 March 2019**

**IMPACT INITIATIVES**  
**(Limited by Guarantee)**

**Financial Statements – 31 March 2019**

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## REFERENCE AND ADMINISTRATIVE DETAILS

<b>PRESIDENT</b>	Peter Bunker OBE
<b>TRUSTEES</b>	Neil Moscrop (Chair) Amanda Mortensen Andrew Wealls (Resigned 9 January 2019) Joseph Miller (Appointed 5 November 2018) Leo Jago Simon Knight DL Rabbi Charles Wallach Ron Jenkins
<b>CHIEF EXECUTIVE OFFICER</b>	Caroline Ridley
<b>COMPANY SECRETARY</b>	Emily Squires
<b>REGISTERED OFFICE</b>	19 Queens Road Brighton BN1 3XA
<b>STATUTORY AUDITORS</b>	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
<b>SOLICITORS</b>	DMH Stallard LLP Gainsborough House Crawley West Sussex RH11 7FZ
<b>MAIN BANKERS</b>	Bank of Scotland First Floor 8 Lochside Avenue Edinburgh EH12 9DJ
<b>CHARITY NUMBER</b>	276669
<b>COMPANY NUMBER</b>	1402692

## **IMPACT INITIATIVES**

### **(Limited By Guarantee)**

#### **Trustees Report**

#### **For the Year Ended 31 March 2019**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ending 31 March 2019 which are also prepared to meet the requirement for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

### **CHAIR'S REPORT**

Impact Initiatives was set up 41 years ago as an innovative initiative through Brighton Free Church. A partnership including other churches was developed in the area, all of which wanted to support local people in need and knew this could be most effectively done through pooling resources and skills. The original remit of 'filling the gaps in statutory services' is as relevant today as it has always been.

Our President, Peter Bunker who was instrumental in the formation of the original Charity, sadly passed away in February. As well as being one of the original founders, he was our President for 13 years remaining keenly interested in the organisation and the range of projects throughout. His contribution was acknowledged in a memorial service in March and Peter's continual support and interest in our work will be greatly missed.

Today Impact Initiatives manages services in Sussex for all ages; the services are all designed to help people live healthy and fulfilling lives. This is achieved by providing the right support from the right people at the right time.

The current services cover two overarching strategic work areas:

- Children and Young People
- Adults and Older People

This year we worked with over 6,000 people, an increase of over 1,000 on last year, a tremendous achievement.

We were supported to do this by 173 volunteers who worked from 1 to 30 hours a week donating a total of over 19,766 hours, this is an increase of an additional 45 volunteers, predominantly in the older people's services, highlighting the growth in this area of our business.

At the year-end we employed 86 permanent staff 67 of whom work part time and 19 full time.

We continue to see the financial pressure common to the sector in general. A feature of much of our work is that it is set against time limited funding. Whilst this does bring risk from our competitors for some services, it also brings opportunities to bid for work new to the organisation and to be creative in how services can best be delivered.

## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

Our track record in sustaining services remains very sound, but this does put pressure on reserves from time to time. Several of our services are interlinked and so growth or reduction in one can have a knock on effect on others. Trustees would only consider the loss of any of our services as a last resort, and so have on occasion supported services from reserves in the short term whilst alternative funding is sought.

We remain confident that the considerable effort being put into expansion, working in partnership with statutory and voluntary organisations and local businesses, plus continued development in those work areas which we have a reputation to be extremely proud of, will see Impact Initiatives continue to thrive.

Neil Moscrop  
Chair

## **OBJECTIVES AND ACTIVITIES**

### **Summary of the objects of the charity as set out in our governing document**

The objects for which Impact Initiatives is established are to promote any charitable purpose for the benefits of the inhabitants of Sussex and surrounding areas. This includes providing facilities for recreation or leisure time occupation which improve people's quality of life.

### **We do this through:**

#### **Children and Young People's Services**

These provide safe places where children and young people can get advice and guidance, learn new skills such as cooking, managing money and having a break from often extremely difficult lives. The services are unique and innovative, with adults who will truly listen and understand and so can help children and young people to create a positive future for themselves.

#### **Adults' and Older People's Services**

Our services help people achieve independence through training, advocacy, one to one and group support. We provide specialist employment support and advocacy services which help people to be heard, find secure employment, and feel valued for their skills.

For those aged 50+ we provide centres, cafés and activities where people can meet others, make connections, learn new skills, enjoy good food and company.

## **OUR SERVICES AND WORK**

### **The services provided during the year and included in this report are:**

#### **Children and Young People**

**Stopover** - Supported housing for young women aged 16-25, including young mothers with their babies. We provide a safe place where residents can start to build their lives and work towards independence.

## **IMPACT INITIATIVES**

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**WASP - (Whitehawk After School Project)** An After School Club and Summer Holiday Play scheme in Whitehawk which is one of the UK's most deprived areas. We provide places where children can meet their friends, learn new skills and have a great time.

**YPC - (Young People's Centre)** Where 13-25 year olds can obtain support, advice and meet others with similar issues. Shower, washing facilities and hot food are also available. We support young people with issues around employment and training, homelessness, drugs and alcohol, mental and sexual health. The YPC also provides work space for other specialist young people's organisations

#### **Adults and older people**

**Advocacy Services** – Provides a voice to adults with Asperger's, disabilities including Learning Disabilities, acquired brain injury (ABI), or sensory impairments, through one to one advocacy and support for self-advocacy groups.

**Henfield Haven** – A centre providing a high level of support for people with dementia alongside a café and range of classes and activities.-The Haven also provides work space for Carers Support West Sussex

**The Hop 50+** – Offers a centre, café, and community based activities that improve the lives of those aged 50+ and help to maintain physical and emotional wellbeing.

**Larches Café** - The only cafe in Coldean, providing a place for people to meet others learn new skills and enjoy good food and company.

**Workability** - Provides support which helps people into or to retain training and employment. We work with people with physical or sensory impairments and acquired brain injury

## **ACHIEVEMENTS AND PERFORMANCE**

### **REVIEW OF THE YEAR**

At the start of the year the trustees and management undertook to:

- 1. Increase our work through seeking further opportunities across Sussex**  
To be well prepared for tenders we are already aware of, and build on conversations regarding gaps in current provision which we could fill.
- 2. Raise our profile through celebrations of our 40<sup>th</sup> anniversary**  
Plan a series of events throughout the year which will promote the work we do, support us in seeking further opportunities and raise unrestricted funds for our work.
- 3. Investigate identified options which will build the capacity of organisation**  
To use our reputation, networks and assets to discuss options with partner organisations.

## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

#### **4. To build our reputation as a thought leader through a conference and follow up work.**

To attract high level decision makers and highlight our forward thinking through a conference, and follow up work from this to further enhance our reputation reputation.

#### **5. Ensure all options to reduce expenditure are explored**

### **How the year compared to the plans and aspirations**

We have our three year business plan which is both ambitious and realistic and was written following pro bono support from Space Doctors, a locally based semiotics company. This clearly lays out priorities for the forthcoming year and gives the clear direction we set out to devise.

We have significantly raised our profile this year and we are now seeing the results of increased support from local businesses. Our preparation for tenders and subsequent bids has brought new work and partnerships building on our existing services. The anniversary events, including the conference, significantly raised our profile and built on our reputation as leaders and providers of services which provide the right support for those who use them. Our reputation for providing cost effective services has also grown

Through our networking and growing reputation, we became the lead and a key contractor in new partnerships delivering in both Brighton and Hove and West Sussex.

## **MAIN OR SIGNIFICANT ACHIEVEMENTS OF OUR SERVICE TEAMS**

### **Children and Young People's services:**

- Stopover completed the purchase of a property which is the fifth house in this service and provides accommodation for 4 young women with low level learning difficulties. In addition, we secured a further property which provides low level support for a further 5 young women.
- The partnership work of the YPC was recognised nationally by the City of Sanctuary network and became the first Youth Club of Sanctuary. Our work in East Sussex was extended to delivery of one to one drop in sessions in three areas of the county
- Many WASP children told us they do not have fruit at home. We formed a link with the Community Orchard giving children free access to fruit for their families. Children are now enjoying fruit daily

### **Adults and Older People**

- 93% of Workability's clients with physical or sensory impairments were still in the employment we supported them into after two years

## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

- We secured the contract as lead organisation for the Ageing Well service across Brighton and Hove. This includes developing the services at the Hop 50+ and Larches Café.
- We successfully developed and managed The Brighton and Hove Older Peoples Festival, which over two weeks, engaged over 4,000 people across over 100 events in 42 venues across the City
- Impact Advocacy services became a key contractor in the new Pan Sussex Advocacy Services contract
- The Henfield Haven centre and café worked with the local Health Centre, to develop a social prescribing service Connector +

### **OUR VOLUNTEER SUPPORT** included:

#### **Children and Young People:**

- Providing activities for the children at WASP.
- Supported gardening and healthy eating sessions and house meals at Stopover.
- Providing, one to one and group support at the YPC.

#### **Adults and older people :**

- Volunteer advocates provided one to one support helping people to have a voice in issues including housing and work.
- Supporting older people on minibus trips and running groups and supporting café staff
- Running art and music classes.
- Running events for the Older People's Festival.

#### **Other volunteer support**

Over 120 informal volunteers helped us to fundraise; donated time or resources, designed marketing materials; and branding and publicity for the Older People's Festival

Our trustees worked over 500 hours through attending board and finance committee meetings, membership of the Impact Initiatives Development Group, supporting the purchase of a new Stopover house and external networking to raise the profile of the organisation and encourage new supporters. Throughout the year trustees gave support over day-to-day governance matters for the organisation with business development and strategy.



## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

#### **FINANCIAL REVIEW**

There was a decrease in incoming resources during the year to £1,870,897 from £2,065,530 in 2017/18. This was largely due to the Youth Collective funding coming to an end half way through the previous year and also the Tailored Health Coaching contract ending during this year.

At the beginning of the 2018/19 year a deficit £(100,787) was forecast. The actual result was a £(86,468) deficit. The improvement during the year was largely due to a focus on fundraising, an increase in grants and reduction in staff costs. A new house for our Stopover service was also purchased, which will help to provide security for the future of the charity.

At the beginning of the financial year 2019/20 a surplus of £17,842 was budgeted. This is based on confirmed income at that time and a very prudent budget for expenditure. The priority of the trustees is now to re-build the reserves of the charity so the management is looking at new funding opportunities in order to do this.

The charity remains positive in its search for new funding and will work with partners without compromising its financial integrity. Rigorous cost control remains in place in all of our projects.

The Development Group is working to secure further income including trust funds and is making links with relevant people to achieve this. We have a clear plan for the future of the organisation including realistic development of services and new projects which meet the objectives of Impact Initiatives support those of the city, district and county councils and trusts.

#### **Policy on reserves and reserves held**

Impact Initiatives aims to establish liquid reserves at a level that would represent at least three months' overall running costs in addition to the security of its freehold premises in Ship Street. This amounts to approximately £331,000. This will enable the charity to cope with any periods of unexpected turbulence and have the flexibility to undertake research and other types of work to further its aims in the future. Financial policies and procedures form the framework upon which decisions for expenditure are made.

At the end of the year the free reserves, as defined by the Charity Commission, showed a surplus of £11,687. This figure is derived from the General unrestricted funds of £223,647 plus the mortgage on the property of £423,000, less the net book value of our assets, £634,960.

Although the strategy is to continue to build reserves through planned operating surpluses, the Trustees are aware that it may take a little longer during the next few years whilst the financial situation is unstable. This year we are predicting a surplus and the focus is to generate more unrestricted funds over the coming year to build up our reserves.

#### **Going concern and cash flow**

Although Impact Initiatives have made a deficit in this financial year, we are forecasting a surplus for 2019/20, there are steps being taken and funding opportunities being sought to

## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

improve the result as the year progresses, the trustees are confident that going forward there will be a return to an operating surplus in the future.

The key issue for the trustees is cash flow and the ability of Impact Initiatives to continue to pay its liabilities as they fall due. The trustees expect liabilities to be met as they arise. The position is reviewed on a month by month basis, and should this situation change then the trustees would take the appropriate steps. The trustees are confident that the charity will remain a going concern for the foreseeable future, and these financial statements have therefore been prepared on a going concern basis.

### **PLANS FOR FUTURE PERIODS**

#### **Plans for the forthcoming year**

The strategic plan will be implemented and will include developments in all services and new projects.

#### **Throughout 2019 – 2020:**

- **We will develop a five year Business Plan**  
We will ensure this aligns with local and national priorities as well as the needs and preferences of our service users
- **We will further explore how we make best use of our assets and our approach to building unrestricted reserves**  
Through assessing our options on current use of our buildings we will ensure we are bringing the best value possible to the organisation
- **We will remain networked to work closely with commissioners, funders and those in leadership and decision making positions relative to our service areas**  
This will ensure our service user's views are heard and plans for new services and re-commissioning include these.
- **We will review our board membership to reflect the needs of the new five year plan**  
To build on the strengths of our current Board of Trustees we will actively seek others to fill any gaps identified.

## **IMPACT INITIATIVES**

### **(Limited By Guarantee)**

#### **Trustees Report**

#### **For the Year Ended 31 March 2019**

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Legal Constitution**

The charity was incorporated on 29 November 1978 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The charity is limited by guarantee and has no share capital.

The charity was registered with the Charity Commission on 30 April 1979 under registration number 276669. The charity changed its name from PACT Community Projects Ltd to Impact Initiatives with effect from 26 November 2002.

### **Organisational structure and how decisions are made**

The CEO and Management Team (MT) conduct the day to day business of the charity, reporting quarterly to the Trustees. A number of trustees assist the MT either directly or through both long and short term working groups. The Central team provides back-office infrastructure support and management, ensuring our projects deliver frontline services effectively and efficiently, and that they comply with their contractual and legal requirements and funders' needs. We have a clear policy and procedure laying out how we manage financial risk and who is responsible for agreeing and signing off financial agreements.

Impact Initiatives Central Team provides management of and support for finance, information technology, human resources, administration and fundraising. This is a cost effective way of the services having consistent professional support and enables them to focus on the service provision.

### **Governance**

Impact Initiatives is a regional charity, with substantial legal and contractual liabilities, and needs to operate at a similar level of experience and efficiency as a complex commercial business. The board of trustees is ultimately responsible for the organisation. Good governance demands that the trustees set clear aims and objectives, establish priorities, safeguard the charity's assets and use them effectively and exclusively for the benefit of the organisation's beneficiaries.

The board of trustees consists of up to 18 individuals, appointed by the members in general meeting, and includes a chair and vice chair. The board of trustees has the power to appoint individuals to the board either to fill a casual vacancy or as an addition to the board. Emergency decision procedures are in place, which always involve the chair or vice chair plus a second trustee.

The trustees have also adopted the Model Code of Conduct developed by The National Council of Voluntary Organisations.

The trustees meet in full session every three months, providing clear direction and overview of the organisation's operation and compliance with agreed strategies and business plan. The finance committee, which all trustees are invited to attend, meets as required. In addition, the chair meets regularly with the CEO.

The trustees set out on page 1 have held office during the whole period from 1 April 2018 to the date of this report, unless otherwise stated. In accordance with the Articles of

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#### **For the Year Ended 31 March 2019**

Association, one third of the trustees retire annually and are eligible for re-election at the annual general meeting.

Each member has agreed to contribute £1. All trustees are members.

#### **Recruitment, induction and training of trustees**

Impact Initiatives Equalities and Diversity policy applies to the recruitment of trustees except where specialist knowledge or skills, or representation of a geographic area, has been identified to enhance the capacity of the board. In these circumstances individuals with appropriate skills or background would be approached directly. We continue to work to encourage service users, or those with direct experience and understanding of the issues our service users face, to become trustees. New trustees are recommended for appointment by the chair and adopted subject to their appointment being confirmed at the annual general meeting. The board's performance is reviewed annually by the chair. Trustees are offered internal training and the opportunity to attend relevant seminars or presentations directed at the voluntary sector during the course of the year. All are encouraged to attend the briefing by the finance manager and auditors and adoption of the annual accounts.

#### **RISK MANAGEMENT**

Key risks to Impact's business continuity are:

- Contracts ending and not being renewed
- Loss of key members of staff
- Loss of key sources of income
- Loss of a building through fire or other disaster
- Damage to the organisation's reputation

We have a clear risk management policy and disaster recovery plans for the organisation and individual services which are reviewed annually. Any changes in the level of risk in any of these areas is approached and managed as set out below.

The Finance Committee is advised of any major risks to the organisation, both internal and external by the CEO on a monthly basis. Where risks are identified a plan is agreed to minimise them and any necessary controls identified and put in place along with a monitoring process.

Potential new services and projects are risk assessed prior to committing to the submission of tender documentation or legally binding costs being incurred.

#### **The trustees' risk management strategy comprises of the following:**

- An annual review of the risks that the charity may face, including the start of year budget.
- The establishment of systems and procedures that will mitigate those risks identified in the review.
- The implementation of procedures designed to minimise any potential risks to the

## **IMPACT INITIATIVES (Limited By Guarantee)**

### **Trustees Report For the Year Ended 31 March 2019**

charity should those risks materialise.

- Disaster recovery for all aspects of the organisation has been reviewed and a policy is implemented across all services. Staff have been made aware of and understand their responsibilities.
- Impact Initiatives continues to invest in health and safety training and has contractors health and safety scheme (CHAS) accreditation for the whole organisation.

The trustees recognise that systems can only provide reasonable assurance that major risks are being adequately managed.

The main objectives for this year were to:

- Continue our work to ensure we are making the most efficient and effective use of our financial resources and assets.
- Continue our work to provide services which are most needed and can be financially supported either through grants and contracts or our other fundraising.
- We will continue to reinforce external understanding of the organisation and widen our promotion to raise our profile and build the business
- Ensure we are ready for forthcoming commissioning from the local authorities
- Continue to explore ways of increasing our unrestricted reserves

These have been achieved for the organisation through forward planning, increased networking and profile raising and partnership building

#### **Pay policy for senior staff**

The directors consider the board of directors, who are the Trust's trustees, and the Chief Executive Officer comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

## **IMPACT INITIATIVES**

### **(Limited By Guarantee)**

#### **Trustees Report**

#### **For the Year Ended 31 March 2019**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The law applicable to charitable companies in England and Wales requires the trustees, who are also the directors of the charity, to prepare financial statements for each year which give a true and fair view of the state of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable United Kingdom accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements and
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditors**

Each trustee has taken all steps that they ought to have taken in order to make themselves aware of any information relevant to the audit, establish that auditors are aware of that information and that there is no information relevant to the audit of which the charity company's auditors were unaware.

#### **Public Benefit statement**

The trustees have reviewed the objectives and activities of the organisation against the Charity Commission's guidance on public benefit and are satisfied that the organisation meets the public benefit criteria.

#### **Auditors**

A resolution to reappoint TC Group will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the small companies' regime of the Companies Act 2006.

Approved by the Trustees on 17 September 2019, and signed on their behalf by NEIL MOSCROP



N Moscrop  
Chair

## **IMPACT INITIATIVES**

### **(Limited by Guarantee)**

#### **Auditors Report**

**For The Year Ended 31 March 2019**

#### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMPACT INITIATIVES**

We have audited the accounts of Impact Initiatives for the year ended 31 March 2019 set out on pages 16 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and the charity's surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards of Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **IMPACT INITIATIVES**

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#### **Auditors Report**

**For The Year Ended 31 March 2019**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating directors' report) have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report (incorporating the directors' report).

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees, (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless



## **IMPACT INITIATIVES** **(Limited by Guarantee)**

### **Auditors Report** **For The Year Ended 31 March 2019**

the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mistatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*TC Group*

**Mr Mark Cummins FCCA (Senior Statutory Auditor)**  
**for and on behalf of TC Group**  
**Statutory Auditors**

The Courtyard  
Shoreham Road  
Upper Beeding  
Steyning  
West Sussex  
BN44 3TN  
Dated: 11 October 2019

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Statement of Financial Activities (including Income and Expenditure Account)**  
**For the Year Ended 31 March 2019**

	Notes	Unrestricted £	Restricted £	2019 Total Funds £	2018 Total Funds £
<b>INCOME from:</b>					
Voluntary income	4	6,804	171,463	178,267	58,288
Activities for raising funds	5	272,018	11,974	283,992	247,404
Charitable activities	6	1,377,578	30,594	1,408,172	1,759,009
Investment Income		466	-	466	829
<b>Total income</b>		<b><u>1,656,866</u></b>	<b><u>214,031</u></b>	<b><u>1,870,897</u></b>	<b><u>2,065,530</u></b>
<b>EXPENDITURE on:</b>					
	7				
Raising funds		30,117	-	30,117	25,813
Charitable activities		<u>1,764,754</u>	<u>162,494</u>	<u>1,927,248</u>	<u>2,135,994</u>
<b>Total expenditure</b>		<b><u>1,794,871</u></b>	<b><u>162,494</u></b>	<b><u>1,957,365</u></b>	<b><u>2,161,807</u></b>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(138,005)	51,537	(86,468)	(96,277)
<b>Reconciliation of funds</b>					
<b>Transfers</b>		-	-	-	-
Total funds brought forward		<u>361,652</u>	<u>56,435</u>	<u>418,087</u>	<u>514,364</u>
<b>Total funds carried forward</b>	<b>20</b>	<b><u>223,647</u></b>	<b><u>107,972</u></b>	<b><u>331,619</u></b>	<b><u>418,087</u></b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All activities are classified as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities

**IMPACT INITIATIVES**  
(Limited by Guarantee)


**Balance Sheet at 31 March 2019**

	Notes	2019	2018
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	15	634,960	222,707
<b>CURRENT ASSETS</b>			
Debtors	16	125,087	106,888
Cash at bank		<u>136,210</u>	<u>212,582</u>
		261,297	319,470
<b>CREDITORS</b>			
Amounts falling due within one year	17	(148,362)	(124,090)
<b>NET CURRENT ASSETS</b>		<u>112,935</u>	<u>195,380</u>
<b>TOTAL ASSETS</b>		<u>747,895</u>	<u>418,087</u>
<b>CREDITORS</b>			
Amounts falling due after one year	18	<u>(416,276)</u>	<u>-</u>
<b>NET ASSETS</b>		<u>331,619</u>	<u>418,087</u>
<b>The funds of the charity:</b>			
Unrestricted income funds	20	223,647	361,652
Restricted income funds	20	<u>107,972</u>	<u>56,435</u>
<b>Total charity funds</b>		<u>331,619</u>	<u>418,087</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the charitable company.

The notes at pages 19 to 31 form part of these accounts

Approved by the trustees on 17 September 2019	and signed on their behalf by;
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N D Moscrop  
Chair

**IMPACT INITIATIVES**  
(Limited by Guarantee)

Company number 1402692

**Statement of Cash Flows**  
For the year ended 31 March 2019

	Notes	2019	2018	
		£	£	
Net cash inflow/(outflow) from operating activities	24	<u>(53,811)</u>	<u>(106,178)</u>	
Cash flows from investing activities				
Interest income	466	829		
Interest Paid	(12,085)			
Purchase of tangible fixed assets	<u>(433,942)</u>	<u>(3,468)</u>		
Net cash provided by/ (used in) investing activities		(445,561)	(2,639)	
Cash flows from financing activities				
Mortgage	<u>423,000</u>	-		
Net cash provided by financing activities		<u>423,000</u>	<u>-</u>	
Change in cash and cash equivalents in the year		<u>(76,372)</u>	<u>(108,817)</u>	
Cash and cash equivalents at the beginning of the year		212,582	321,399	
Cash and cash equivalents at the end of the year		<u>136,210</u>	<u>212,582</u>	
Analysis of cash and cash equivalents				
	At 1 April 2018	Cash flow	Non-cash changes	At 31 March 2019
	£	£	£	£
Cash at bank and in hand	<u>212,582</u>	<u>(76,372)</u>	-	<u>136,210</u>
	<u>212,582</u>	<u>(76,372)</u>	-	<u>136,210</u>

## **IMPACT INITIATIVES**

### **(Limited by Guarantee)**

#### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2019**

### **1 STATUTORY INFORMATION**

Impact Initiatives is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the legal and administrative information page.

### **2 ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **a) Basis of preparation**

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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Impact Initiatives meets the definition of a public benefit entity under FRS102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Impact Initiatives ability to continue as a going concern

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

#### **b) Income recognition policies**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 19).

#### **c) Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

## **IMPACT INITIATIVES**

### **(Limited by Guarantee)**

#### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2019**

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

#### **d) Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### **e) Interest receivable**

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

#### **f) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

#### **g) Expenditure**

Expenditure is recognised on an accruals basis with the irrecoverable element of value added tax included within the item of expense to which it relates.

Costs of generating voluntary income include fundraising and publicity costs attributable to the raising of all voluntary income.

Fundraising trading: cost of goods sold and other costs include the cost of running the cafes at Hop50+, the Larches, Dingemans and Henfield Haven.

Charitable activities costs include the direct and indirect running costs of the various projects.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs represent the running costs of a central office to manage and administer the projects including the functions of general management, payroll and administration,

## **IMPACT INITIATIVES**

### **(Limited by Guarantee)**

#### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2019**

budgeting and accounting, information technology and human resources. They are allocated across the categories of charitable expenditure and projects on a proportion of time spent upon them.

#### **h) Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold property	2%
Computer equipment	33.3%
Motor vehicles	10%

#### **i) Operating leases**

Rental costs under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### **j) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **k) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **l) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

#### **m) Pension costs**

Contributions payable to the company's pension schemes are charged to the Statement of Financial Activities in the period to which they relate (see note 23).

**IMPACT INITIATIVES**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**3 LEGAL STATUS OF THE CHARITY**

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The authorised membership of the charity is 500. At 31 March 2019, the membership was 19 (2018 - 22).

The Charity is under the control of the Trustees.

**4 VOLUNTARY INCOME**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	funds	funds
	£	£	£	£
Donations	6,804	29,663	36,467	19,718
Grants	-	<u>141,800</u>	<u>141,800</u>	<u>38,570</u>
	<u>6,804</u>	<u>171,463</u>	<u>178,267</u>	<u>58,288</u>

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

**5 ACTIVITIES FOR RAISING FUNDS**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	funds	funds
	£	£	£	£
Accommodation and room hire	49,249	-	49,249	47,383
Fees for services	77,148	-	77,148	66,646
Catering receipts	136,112	-	136,112	114,359
Fundraising events	<u>9,509</u>	<u>11,974</u>	<u>21,483</u>	<u>19,016</u>
	<u>272,018</u>	<u>11,974</u>	<u>283,992</u>	<u>247,404</u>



**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**6 INCOME FROM CHARITABLE ACTIVITIES**

	2019 Total £	2018 Total £
Big Lottery Fund Grant	-	-
Brighton & Hove City Council	183,870	465,772
Brighton & Hove Clinical Commissioning Group	64,600	69,100
Brighton & Hove Social Services	2,429	-
Childrens Social Work Services	12,176	-
Children in Need	30,594	28,019
Henfield CIC	8,500	28,000
Horsham District Council	10,000	10,000
University of Brighton	-	560
BSMS	900	-
Henfield Medical Centre	6,000	-
Sussex Community Foundation	71,580	71,580
West Sussex County Council	429,116	426,114
NHS Crawley CCG	70,444	140,888
Housing Support	127,209	134,700
Rent and amenities	297,202	301,421
Client contributions	<u>93,552</u>	<u>82,855</u>
	<u>1,408,172</u>	<u>1,759,009</u>

**7 ANALYSIS OF ACTIVITIES AND SUPPORT COSTS**

	Staff Costs £	Depreciation £	Other Costs £	2019 Total £	2018 Total £
<b>Costs of raising funds</b>					
Voluntary income	-	-	17,799	17,799	25,535
Financing Costs	-	-	12,085	12,085	
Fundraising trading	<u>-</u>	<u>-</u>	<u>233</u>	<u>233</u>	<u>278</u>
Total costs of generating funds	<u>-</u>	<u>-</u>	<u>30,117</u>	<u>30,117</u>	<u>25,813</u>
<b>Charitable activities</b>					
Activities undertaken directly	1,145,928	-	444,240	1,590,168	1,626,274
Payments to partners	-	-	49,204	49,204	234,288
Support costs	<u>173,843</u>	<u>21,688</u>	<u>83,831</u>	<u>279,362</u>	<u>266,918</u>
Total charitable activities	<u>1,319,771</u>	<u>21,688</u>	<u>577,275</u>	<u>1,918,734</u>	<u>2,127,480</u>
<b>Governance costs</b>	-	-	<u>8,514</u>	<u>8,514</u>	<u>8,514</u>
<b>Total resources expended</b>	<u>1,319,771</u>	<u>21,688</u>	<u>615,906</u>	<u>1,957,365</u>	<u>2,161,807</u>

Governance costs comprise audit & accountancy fees for the year together with AGM costs.

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**7 ANALYSIS OF ACTIVITIES AND SUPPORT COSTS - *continued***

Payments to partners relates to payments made to partner organisations. The Youth Collective is a collection of 8 charities who deliver youth services across Brighton & Hove including the Young Peoples Centre. Impact Initiatives co-ordinates and manages the funding for these organisations. There was a small amount paid out during this year as the funding for the Youth Collective completed in 2017. The rest relates to payments made out from the Sussex Community Foundation funding which Impact Initiatives manage the funding for.

**8 SUPPORT COSTS**

	Cost of raising funds £	Charitable activities £	Govern- ance Costs £	2019 Total £	2018 Total £
Human resources	1,604	171,482	757	173,843	165,829
Establishment costs	582	62,171	275	63,028	49,718
Office and administration	<u>392</u>	<u>41,914</u>	<u>185</u>	<u>42,491</u>	<u>27,819</u>
	<u>2,578</u>	<u>275,567</u>	<u>1,217</u>	<u>279,362</u>	<u>243,366</u>

All support costs are based on a project by project management review of estimated usage of central staff time.

**9 NET INCOME/(EXPENDITURE) FOR THE YEAR**

	2019 £	2018 £
This is stated after charging:		
Depreciation of tangible fixed assets	21,689	13,119
Auditors' remuneration	8,514	8,244
Amounts payable under operating leases, land and buildings	<u>145,726</u>	<u>141,257</u>

**10 ANALYSIS OF STAFF COSTS AND TRUSTEE REMUNERATION AND EXPENSES**

	2019 £	2018 £
Salaries	1,210,493	1,254,756
Social security costs	86,607	82,817
Pension contributions	<u>22,673</u>	<u>24,402</u>
	<u>1,319,773</u>	<u>1,361,975</u>

No employees received remuneration in excess of £60,000 (2017 - £nil).

## **IMPACT INITIATIVES**

### **(Limited by Guarantee)**

#### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2019**

### **10 ANALYSIS OF STAFF COSTS AND TRUSTEE REMUNERATION AND EXPENSES - *continued***

The total employment costs (including employers national insurance and pension contributions) of Senior Management was £65,831 (2018 - £64,541).

None of the trustees received remuneration from the charity during the year (2018 – £nil). A total of £nil was paid to trustees during the year as reimbursement of travel expenses (2018 – £nil). No amounts were due to or from the trustees at the balance sheet date (2018 - £nil).

### **11 STAFF NUMBERS**

The average monthly head count was 104 staff (2018: 106 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2019 Number	2018 Number
Administration	5	5
Project staff	<u>44</u>	<u>47</u>
	<u>49</u>	<u>52</u>

The charity participates in an insurance policy which protects the charity from loss arising from the negligence of its employees and indemnifies employees against the consequences of such negligence. The cost to the charity of this insurance was £10,521 (2018 - £10,455).

### **12 RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year to report.

### **13 GOVERNMENT GRANTS**

Income from government grants comprises performance related grants made by local authorities to fund specific projects' activities. See note 6 for more information and to the amount and source of these grants.

### **14 TAXATION**

The charitable company is registered as a charity and most of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010. It does have some non-primary purpose trading income which falls above the small trading threshold and is liable to corporation tax on any profits made

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**15 TANGIBLE FIXED ASSETS**

	Freehold Property £	Motor Vehicles £	Computer Equipment £	Totals £
<b>COST</b>				
At April 1 2018	318,608	36,090	18,170	372,868
Additions	433,942	-	-	433,942
Disposals	-	-	-	-
At 31 March 2019	<u>752,550</u>	<u>36,090</u>	<u>18,170</u>	<u>806,810</u>
<b>ACCUMULATED DEPRECIATION</b>				
At April 1 2018	130,063	7,218	12,880	150,161
Charge for year	15,051	3,609	3,029	21,689
Disposals	-	-	-	-
At 31 March 2019	<u>145,114</u>	<u>10,827</u>	<u>15,909</u>	<u>171,850</u>
<b>NET BOOK VALUES</b>				
At 31 March 2019	<u>607,436</u>	<u>25,263</u>	<u>2,261</u>	<u>634,960</u>
At 31 March 2018	<u>188,545</u>	<u>28,872</u>	<u>5,290</u>	<u>222,707</u>

**16 DEBTORS**

	2019 £	2018 £
Debtors	104,598	97,019
Accrued Income	<u>20,489</u>	<u>9,869</u>
	<u>125,087</u>	<u>106,888</u>

**17 CREDITORS: Amounts falling due within one year**

	2019 £	2018 £
Deferred income (see note 19)	77,321	56,028
Creditors and accruals	44,470	43,004
Mortgage	6,724	-
Income tax and social security payments	<u>19,847</u>	<u>25,058</u>
	<u>148,362</u>	<u>124,090</u>

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**18 CREDITORS: Amounts falling due after one year**

	2019 £	2018 £
Mortgage	<u>416,276</u>	<u>-</u>
	<u>416,276</u>	<u>-</u>

On 19<sup>th</sup> July 2018 a charge was made against the YPC building on Ship Street for a mortgage to purchase the property in St Andrews Road.

**19 DEFERRED INCOME**

The deferred income included in note 17 above is broken down as follows:

	2019 £
Deferred income at 1 April 2018	56,028
Released in the year	(56,028)
Deferred in the year	<u>77,321</u>
Deferred income at 31 March 2019	<u>77,321</u>

**20 ANALYSIS OF CHARITABLE FUNDS**

**Analysis of movements in unrestricted funds**

	Balance at 1 April 2018 £	Incoming Re- sources £	Outgoing Project Costs £	Support Costs £	Transfers £	Balance at 1 April 2019 £
<b>General fund</b>	339,993	18,095	(270,168)	220,892	(99,968)	208,844
Hop50+	-	308,737	(268,458)	(40,868)	589	-
Older Peoples Festival	-	11,110	(12,005)	(1,801)	2,696	-
Henfield	-	211,308	(204,262)	(32,545)	25,499	-
Advocacy	-	258,829	(229,971)	(24,117)	(4,741)	-
Workability	-	-	-	-	-	-
West Sussex	-	156,658	(140,250)	(14,802)	(1,606)	-
Wasp	-	12,032	(10,348)	(8,737)	7,053	-
YPC	-	170,013	(185,678)	(29,030)	44,695	-
Stopover	-	439,615	(403,548)	(61,396)	25,329	-
Tailored Health Coaching	<u>-</u>	<u>70,444</u>	<u>(63,302)</u>	<u>(7,596)</u>	<u>454</u>	<u>-</u>
	339,993	1,656,841	(1,787,990)	-	-	208,844
IT Replacement fund	11,177	25	(1,369)	-	-	9,833
Dilapidation fund	<u>10,482</u>	<u>-</u>	<u>(5,512)</u>	<u>-</u>	<u>-</u>	<u>4,970</u>
	<u>361,652</u>	<u>1,656,866</u>	<u>(1,794,871)</u>	<u>-</u>	<u>-</u>	<u>223,647</u>

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**20 ANALYSIS OF CHARITABLE FUNDS - *continued***

The General fund is funded by income from the charity's projects. The trustees have approved the transfer of the balance on each project's result to the General fund to reflect the ongoing reality of the charity's day to day funding. Details of these projects can be found in the Trustees' Annual Report starting on page 1.

The IT Replacement fund has been set up to upgrade hardware and software as required across the whole organisation.

The Dilapidations reserve has been set up to ensure the charity has the funds in place to meet our responsibilities of redecoration and cyclical repairs at the Stopover properties and for refurbishment work on the Ship Street building.

**Analysis of movements in restricted funds**

	Balance at 1 April 2018	Incoming Re-sources	Outgoing Project Costs	Balance at 1 April 2019
	£	£	£	£
Hop50+	10,127	18,748	(17,081)	11,794
Older Peoples Festival	-	750	(750)	-
Henfield	-	13,358	(12,909)	449
Day Centre Fund	28,872	-	(3,609)	25,263
Advocacy	6,880	9,451	(11,673)	4,658
Wasp	-	47,900	(47,900)	-
Workability West Sussex	-	650	(650)	-
YPC	-	47,496	(47,496)	-
YPC Restoration Fund	-	70,000	(4,192)	65,808
Stopover	680	5,678	(6,358)	-
Youth Collective	9,876	-	(9,876)	-
	<u>56,435</u>	<u>214,031</u>	<u>(162,494)</u>	<u>107,972</u>

Restricted funds are funds that can only be used for specific purposes within a particular service.

HOP50+ have been fundraising for a new minibus and for refurbishment of the centre, the balance at the end of the year is £11,794.

Older Peoples Festival consisted of £750 from Chalk Cliff Trust to provide a trip to the Rampion Wind Farm during the Older peoples festival in October 2018.

The Day Centre Fund is a minibus which was donated by the Valerie Emily Munday Day Centre Trust for use in any of our day centre services.

Henfield, Stopover & Workability received donations & fundraising income during the year which was used by those services to fund their specific activities.

**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**20 ANALYSIS OF CHARITABLE FUNDS - *continued***

The Advocacy fund consisted of £9,451 from Awards For All for the Aspie Trainers Project. The balance is made up of fees charged for training at this project.

The Wasp restricted fund consisted of £30,594 from Children in Need, £5,000 from City Academy, Whitehawk and £10,000 was kindly donated by Space Doctors a Hove based semiotics company. The remainder consists of fundraising or donations income.

The YPC restricted fund consists of the income from a Youth Work grant which is delivered by various partners throughout the city and the remaining is made up of grant income from trusts and donations & fundraising income from various events.

The Youth Collective fund has now come to an end, the remaining amount was paid out during this year.

The YPC Restoration Fund is a grant from Garfield Weston Memorial Fund which was awarded to renovate the building on Ship Street.

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
	£	£	£	£
<b>Fund balances at 31 March 2019 are represented by:</b>				
Tangible fixed assets	609,697	25,263	634,960	222,707
Net current assets/(liabilities)	<u>(386,050)</u>	<u>82,709</u>	<u>(303,341)</u>	<u>195,380</u>
	<u>223,647</u>	<u>107,972</u>	<u>331,619</u>	<u>418,087</u>

**22 COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2019, the charity was committed to making the following payments:

	2019 £	2018 £
Operating leases which expire:		
Within one year	-	-
Between 2 and 5 years	<u>50,238</u>	<u>7,653</u>
	<u>50,238</u>	<u>7,653</u>

**IMPACT INITIATIVES**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**23 PENSION COMMITMENTS**

The charity operates a group of defined contribution schemes with funds assigned for individual members. The assets of these schemes are held separately from those of the charity in independently administered funds. The contributions payable at the year-end were £2,896 (2018 - £nil). Contributions paid during the year amounted to £32,553 (2018 - £30,344)

**24 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2019	2018
	£	£
Net movement in funds	(86,468)	(96,277)
Add back depreciation charge	21,689	13,119
Deduct interest income shown in investing activities	(466)	(829)
(Increase)/decrease in debtors	(18,199)	(58,954)
Increase/(decrease) in creditors	17,548	36,763
Finance cost	12,085	-
Net cash used in operating activities	<u>(53,811)</u>	<u>(106,178)</u>



**IMPACT INITIATIVES**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2019**

**25 ANALYSIS OF PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES BY FUND**

**Statement of Financial Activities (including Income and Expenditure Account)**  
**For the Year Ended 31 March 2018**

	Notes	Unrestricted £	Restricted £	2018 Total Funds £	2017 Total Funds £
<b>INCOME from:</b>					
Voluntary income	3	4,997	53,291	58,288	73,596
Activities for raising funds	4	227,784	19,620	247,404	197,827
Charitable activities	5	1,477,948	281,061	1,759,009	2,138,391
Investment Income		829	-	829	301
<b>Total income</b>		<b><u>1,711,558</u></b>	<b><u>353,972</u></b>	<b><u>2,065,530</u></b>	<b><u>2,410,115</u></b>
<b>EXPENDITURE on:</b>					
	6				
Raising funds		25,813	-	25,813	27,432
Charitable activities		<u>1,744,814</u>	<u>391,180</u>	<u>2,135,994</u>	<u>2,365,690</u>
<b>Total expenditure</b>		<b><u>1,770,627</u></b>	<b><u>391,180</u></b>	<b><u>2,161,807</u></b>	<b><u>2,393,122</u></b>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(59,069)	(37,208)	(96,277)	16,993
<b>Reconciliation of funds</b>					
<b>Transfers</b>	18	-	-	-	-
Total funds brought forward		<u>420,721</u>	<u>93,643</u>	<u>514,364</u>	<u>497,371</u>
<b>Total funds carried forward</b>	18	<b><u>361,652</u></b>	<b><u>56,435</u></b>	<b><u>418,087</u></b>	<b><u>514,364</u></b>