

Company registration number: 03190740

Charity registration number: 1056825

Friary Drop-in Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Friary Drop-in Ltd

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Friary Drop-in Ltd

Reference and Administrative Details

Trustees	Robin Lund, (Chairman) Paul Randle, (Vice Chair) David Shaw, (Treasurer) Alex Rae Pamela Miles Richard McCallum Timothy Martin Wenda Power
Senior Management Team	Ben Talbot, Chief Executive Ann Bremner, General Manager
Principal Office	46 Musters Road West Bridgford Nottingham Nottinghamshire NG2 7PR
Company Registration Number	03190740
Charity Registration Number	1056825
Bankers	TSB Bank Plc 2 Davies Road West Bridgford Nottingham NG2 5JD CCLA Investment Management Limited The COIF Charities Deposit Fund 80, Cheapside London EC2V 6DZ CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

Friary Drop-in Ltd

Chair's Report

Chair of Trustees Annual Report 2020 – 2021

It was pleasing to report last year that we were able to react immediately to the Government announcement on the 23 March 2020 of the 'stay at home' lockdown message to combat the spread of the Covid-19 virus. The announcement presented a major challenge around how to provide services to an already vulnerable group of people, mindful that one thousand unique individuals accessed Friary services in each of the two previous years, both 2018-19 and 2019-2020.

Protective Measures

- In what was accepted as an unprecedented national public health emergency, there was no other option but to close the Friary Centre and public access to all facilities.
- Our legal duty to the health and safety of both staff and service users was a first consideration and Personal Protection Equipment was sourced and staff education in its use, alongside social distancing and sanitising hands.
- Whilst Friary staff have been encouraged to be vaccinated, the take-up of vaccinations by service users visiting Friary remains a grey area.
- A major change was inevitable in delivery of services, with a vastly reduced service offering food parcels, clothing, and interviews, accessed from a table at the front door in the open-air. This 'new normal' arrangement proved successful and is still operative.
- Welfare Benefit interviews were initially undertaken in a well-ventilated part of the Centre but transferred to the Advice Centre on acquisition of the lease where screens are provided and space for social distancing is adequate.
- Unavoidably some staff were placed on Furlough in accordance with the Government Scheme and others redeployed.
- Communication was critical and regular meetings to share information were held with Rushcliffe BC, Nottingham City Council and Notts CC Community Hub. Through these contacts the Friary was requested to distribute emergency food parcels with the help of volunteers to families in Rushcliffe who would not normally contact us, thus raising the profile of the Friary.
- Constant review of Covid best practice is in place through regular consultation with the local public health authorities.

Rough Sleepers

In April 2020, Government concerns about the spread of covid through the rough sleeping community led to the introduction of the 'Everybody In' programme. This initiative funded local authorities (Nottingham City Council) to immediately clear rough sleepers off the streets and place them in City hotels. The success of this scheme relied on the support of many organisations and Friary played a prominent role by supplying pre-cooked meals and packed lunches on a rota for distribution in the hotels. The second stage of this programme involved the gradual rehousing of the hotel residents back into the community.

Some rough sleepers could not gain access to a hotel room for various reasons, and in addition new rough sleepers were presenting at the Friary. To help mitigate these circumstances 875 Rough Sleepers breakfasts have been served from the front door at the Friary since July 2020.

The Government have pledged to eradicate rough sleeping by 2024. It is anticipated that this will be linked to the introduction of 'Housing First' which will offer intensive wrap-around support to a huge cohort with entrenched complex needs. Potential involvement should be part of Friary strategic thinking as Government policy and investment decisions are awaited.

Friary Drop-in Ltd

Chair's Report

Despite long periods of pre-occupation with infection control measures, re-arrangement of services, and a move to virtual meetings, some progress has been possible in other areas.

Advice Centre

An opportunity was taken in late 2020 to acquire the lease of the former shop premises opposite the Friary at 34 Musters Road. Initially it will be used to accommodate the welfare rights service but exploratory discussions with other advisory organisations could add more complementary services.

Welfare Rights

The popularity of this service has gone from strength to strength with the appointment of additional staff already agreed. In the six months between October 2020 to March 2021 benefit entitlements recovered for 200 claimants amounted to £107,000. Other operational statistics about all Friary services 2020-2021 are set out at the end of this report.

Ludlow Hill Depot

A Board decision was made to terminate the lease on the Ludlow Hill premises as future policy will focus on fewer donated items from a bespoke priority list based on need. Storage space at our new premises at 34 Musters Road plus free storage at Big Yellow is sufficient to meet operational demands.

Communication and Profile

The local business 'Dairy Creative Agency' have helped in the upgrade of our website to improve our communications in the digital age, and the introduction of Facebook and LinkedIn will follow. The quality of content and layout of the Newsletter are constantly reviewed to ensure high value public relations that increasingly leads to fundraising support from local businesses and organisations. We have also welcomed on two occasions Ruth Edwards MP and record our thanks for her interest.

Good Governance

The Charity Commission Governance Code provides a framework of seven principles for attaining high standards of governance and a process to review areas for improvement has commenced. Thanks is due to Andrew Chapple who retired as a Trustee in 2020 after many years' association with the Friary.

As a high-profile ecumenical charity with core values rooted in the social teaching of the Christian faith, the Friary could prove attractive to potential new Trustees with connections to the mainstream churches. Sourcing Trustees from denominations across wider Nottingham is possible if an approach is planned and targeted. This is a positive step in retaining the Christian ethos of the project, showing respect for the intentions of URC founders, and planning succession and future leadership.

Whilst it has been a turbulent year, the Friary is fortunate to have a staff team with the capability to adapt to change at short notice. Meeting this challenge head-on and retaining financial stability has been *the* major success of the year. The Board of Trustees wish to record their deep gratitude for the outstanding contribution of the staff during an unprecedented year.

This will be my last report as I intend to stand down at the AGM. It has been a privilege to serve as a Trustee for over 20 years, the last 9 years as Chair. May I thank everyone for their friendship and support, and for the patience with my own shortcomings. Deo Gratias.

Robin Lund

Chair of Trustees

Friary Drop-in Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Trustees

Robin Lund, (Chairman)

Paul Randle, (Vice Chair)

David Shaw, (Treasurer)

Andrew Chapple (resigned 5 October 2020)

Alex Rae

Pamela Miles

Richard McCallum

Timothy Martin

Graham Roseblade (resigned 20 February 2021)

Wenda Power

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 25 April 1996. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of trustees

Trustees, who are also directors of the company, are appointed by the member vote at the annual general meeting, although up to three may be co-opted during the course of any accounting year. Membership is by nomination and this nomination can come from any of the three nominating bodies. These are West Bridgford Churches Together, Friends of the Friary and the Friary URC Church. These persons shall be admitted as members, following the approval of the trustees and shall continue to be members of Friary Drop-In Limited until they resign or their nominating organisations request their replacement.

Full meetings of the trustees are held quarterly with the Sub Committees for Finance & Strategy, Community Engagement and Operations, meeting in between.

Friary Drop-in Ltd

Trustees' Report

Major risks and management of those risks

Management of Risk

In an environment where both trust/grant income and personal donations are likely to become squeezed, the risks to the organisation are significant. An increase in activity means that the organisation is projecting a deficit in the coming year. This is coupled with the decision to take on the new Advice Centre premises.

This will need to be mitigated by a reduction in costs if possible, however, priority is being given to exploring new income streams from both local authorities and grant makers. A medium term funding strategy is key to making this work.

Objectives and activities

Objects and aims

(i) relief of poverty amongst persons living in the Rushcliffe and adjacent districts in the county of Nottinghamshire by the provision or assistance in the provision of facilities and activities to relieve those persons who may be considered to be in necessitous circumstances by being homeless (or in temporary accommodation) or unemployed;

(ii) the advancement of education amongst such persons by the provision of advice, counselling and information suitable and relevant to their needs and geared towards their poverty; and

(iii) the provision or assistance in the provision of recreational and other leisure time activities in the interests of social welfare and with the object of improving the conditions of life for such persons.

Objectives, strategies and activities

In furtherance to the above objects the Friary's mission is to empower homeless and vulnerable adults to rebuild their lives by offering practical services, advice and emotional support. To this end the organisation offered these specific services to beneficiaries during the course of the reporting year:

- Professional advice and referral;
- GP surgery;
- Homeless nursing team;
- Specialist welfare rights advice;
- Optometry;
- Podiatry;
- IT training;
- Barber;
- Allotment volunteering;
- A wide range of volunteering opportunities;
- Sunday fellowship;
- Welfare provision of food, clothing, toiletries and household items;
- Shower and laundry.

Public benefit

The principal activity of Friary Drop-In Limited is that of a charitable organisation assisting the homeless, those in temporary accommodation and the unemployed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Friary Drop-in Ltd

Trustees' Report

Achievements and performance

This was a year that saw more operational change in the organisation than anyone at the Friary could have anticipated. Due to the effects of the pandemic and the necessary restrictions, the Friary was forced overnight to make significant decisions.

Once it became clear that early lockdowns were going to be imposed, as a key service, the organisation had to make a decision as to how it would operate to provide support in a way that ensured the safety of vulnerable staff and volunteers.

A decision was made to offer an 'at the door' service, facilitated by a small group of 4 staff on a rota basis. All other staff and volunteers, particularly those considered vulnerable were asked to work from home if they could or placed on furlough.

The 'at the door' service evolved through the year dependent on restrictions at particular times and involved providing food, but also emotional support for those who visited. The organisation also made phone calls to visitors who were unable to visit the centre.

As well as support at the Centre, food deliveries were made to vulnerable people across Rushcliffe and the wider County and the Friary delivered two meals per week into the hotel accommodation in Nottingham City Centre where Rough Sleepers were being housed.

Presentations to the Centre this year have been 6,132, with unique visitor numbers at 823. Of the unique visitors, 378 (45.9%) were new to the Friary. 623 visitors were male and 200 were female.

Another development during the year was the decision made by the organisation to take on the lease of new premises at 34 Musters Road. From the premises, a new Advice Centre will be developed to support preventative work, particularly given the after effects of the pandemic.

Financial review

The financial impact of the pandemic is likely to be felt in future years. The charity has been extremely fortunate to have benefitted from extra support from both grants/trusts, as well as the generosity of individual and corporate supporters. This led to an increase in income for this period, which has been coupled with a reduction in costs due to reduced activity at the Centre and the ability to utilise the furlough scheme.

Whilst the financial year will see a surplus, there are already signs as restrictions are lifted, that there will be financial pressures on the organisation which will need to be mitigated.

Policy on reserves

At 31st March 2021, free reserves amounted to £415,381 (2020: £280,866). This represents approximately 106% of annual expenditure (2020: 76%),

The trustees have been strategically investing reserves into charitable activity in recent years with the intention of developing financial sustainability and the furtherance of charitable objects for the organisation. The surplus generated in this financial year offsets the investment of these reserves in recent years and helps promote future sustainability of services. The demand on our resources remains extremely high and the trustees are committed to ensuring that the charity is well resourced so that energy can be devoted to delivering effective services rather than struggling for survival.

Developments planned in the coming year, along with pressure on income and costs will see reserves start to become utilised at a potentially significant rate.

Friary Drop-in Ltd

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

The enforced changes at the Friary during the pandemic have enabled us to spend time considering how best to operate in the future.

As an organisation, our priority is to provide the most effective support that we can to our visitors. This means emphasis on one to one support both at the Friary and in the community. We intend to develop our casework and introduce tenancy support workers into our team.

We will also continue to develop services at our new Advice Centre. Focusing on welfare benefits, housing and debt advice, as well as introducing other general advice services through Friary staff/volunteers and outside agencies.

We also have plans to introduce activities into our daily programme aimed at engaging visitors, with a focus on their health and well-being. This will include exercise, craft and utilisation of our allotment.

We will take feedback from our visitors as to any other possible activities.

These new initiatives will be complemented by our existing services, providing food, as well as emotional and health support from our staff/volunteers and external partners.

The evolution of services is about focusing both on support for those most in need whilst also focusing on preventative work. We know that the economic fallout from the pandemic will affect society as a whole. We hope that previous experiences we have had with visitors can help us to guide and support those who face challenges for the first time.

In recent months, we have developed a partnership with the Social Prescribing team based at GP's surgeries in the West Bridgford area. Those accessing the GP but needing non-medical support with issues such as benefits, debt and housing can be referred to the Friary. This is the type of community and partnership work that we intend to build on in the coming months and years.

The Friary is committed to developing services to ensure we achieve our aim of 'Working locally to end homelessness'.

Financially, we anticipate that turnover is likely to reduce in the short term as emergency funding for the pandemic is scaled back. That said, the developments we are planning can initially be funded through existing income and reserves. A new strategic plan is being worked on that will enable us to consider what new funding would be needed to make further developments in the medium to long term.

Friary Drop-in Ltd

Trustees' Report

Statement of Trustees' Responsibilities

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

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


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

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

Small companies provision statement

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

The annual report was approved by the trustees of the charity on 20 September 2021 and signed on its behalf by:



Robin Lund
Trustee

Friary Drop-in Ltd

Independent Examiner's Report to the trustees of Friary Drop-in Ltd

Independent examiner's report to the trustees of Friary Drop-in Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

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 the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, 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 that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; 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.



John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

5 October 2021

Friary Drop-in Ltd

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	417,256	-	417,256	275,311
Charitable activities	3	-	92,333	92,333	80,875
Other trading activities	5	10,649	-	10,649	27,191
Investment income	6	347	-	347	700
Total income		<u>428,252</u>	<u>92,333</u>	<u>520,585</u>	<u>384,077</u>
Expenditure on:					
Charitable activities	7	<u>(198,919)</u>	<u>(193,101)</u>	<u>(392,020)</u>	<u>(369,698)</u>
Total expenditure		<u>(198,919)</u>	<u>(193,101)</u>	<u>(392,020)</u>	<u>(369,698)</u>
Net income/(expenditure)		229,333	(100,768)	128,565	14,379
Transfers between funds		<u>(113,071)</u>	<u>113,071</u>	<u>-</u>	<u>-</u>
Net movement in funds		116,262	12,303	128,565	14,379
Reconciliation of funds					
Total funds brought forward		<u>292,674</u>	<u>-</u>	<u>292,674</u>	<u>278,295</u>
Total funds carried forward	20	<u>408,936</u>	<u>12,303</u>	<u>421,239</u>	<u>292,674</u>

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

The funds breakdown for the period is shown in note 20.

Friary Drop-in Ltd

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	275,311	-	275,311
Charitable activities	3	12,392	68,483	80,875
Other trading activities	5	27,191	-	27,191
Investment income	6	700	-	700
Total income		<u>315,594</u>	<u>68,483</u>	<u>384,077</u>
Expenditure on:				
Charitable activities	7	<u>(161,579)</u>	<u>(208,119)</u>	<u>(369,698)</u>
Total expenditure		<u>(161,579)</u>	<u>(208,119)</u>	<u>(369,698)</u>
Net income/(expenditure)		154,015	(139,636)	14,379
Transfers between funds		<u>(139,636)</u>	<u>139,636</u>	-
Net movement in funds		14,379	-	14,379
Reconciliation of funds				
Total funds brought forward		<u>278,295</u>	<u>-</u>	<u>278,295</u>
Total funds carried forward	20	<u><u>292,674</u></u>	<u><u>-</u></u>	<u><u>292,674</u></u>

Friary Drop-in Ltd

(Registration number: 03190740)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	5,858	11,808
Current assets			
Debtors	14	12,290	11,771
Cash at bank and in hand	15	421,028	280,323
		433,318	292,094
Creditors: Amounts falling due within one year	16	(17,937)	(11,228)
Net current assets		415,381	280,866
Net assets		421,239	292,674
Funds of the charity:			
Restricted income funds			
Restricted funds	20	12,303	-
Unrestricted income funds			
Unrestricted funds		408,936	292,674
Total funds	20	421,239	292,674

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

The financial statements on pages 10 to 23 were approved by the trustees, and authorised for issue on 20 September 2021 and signed on their behalf by:



David Shaw
Trustee

Friary Drop-in Ltd

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		128,565	14,379
Adjustments to cash flows from non-cash items			
Depreciation		5,950	8,860
Investment income	6	<u>(347)</u>	<u>(700)</u>
		134,168	22,539
Working capital adjustments			
(Increase)/decrease in debtors	14	(519)	1,985
Increase/(decrease) in creditors	16	4,016	(8,726)
Increase/(decrease) in deferred income	16	<u>2,693</u>	<u>(2,929)</u>
Net cash flows from operating activities		140,358	12,869
Cash flows from investing activities			
Interest receivable and similar income	6	<u>347</u>	<u>700</u>
Net increase in cash and cash equivalents		140,705	13,569
Cash and cash equivalents at 1 April		<u>280,323</u>	<u>266,754</u>
Cash and cash equivalents at 31 March		<u><u>421,028</u></u>	<u><u>280,323</u></u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash		140,705	13,569
Net funds at 1 April 2020		<u>280,323</u>	<u>266,754</u>
Net funds at 31 March 2021		<u><u>421,028</u></u>	<u><u>280,323</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

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

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

Grants receivable

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

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

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

Charitable activities

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £2,000.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	straight line basis over the lifetime of the relevant lease
General equipment	15% on a reducing balance basis
Vehicles	20% on a straight line basis

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Fund structure

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

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

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Pension costs charges in the Statement of Financial Activities represent the contributions payable by the charity during the year.

2 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Donations and legacies;			
Donations from companies, trusts and similar proceeds	104,645	104,645	82,361
Donations from individuals & groups	180,425	180,425	164,297
Legacies	13,002	13,002	-
Gift aid reclaimed	25,321	25,321	16,418
Grants, including capital grants;			
Government grants	93,863	93,863	12,235
	<u>417,256</u>	<u>417,256</u>	<u>275,311</u>

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

3 Income from charitable activities

	Restricted funds £	Total 2021 £	Total 2020 £
Grants & donations	92,333	92,333	63,692
Activity contributions	-	-	4,791
Sales & Sundry income	-	-	12,392
	<u>92,333</u>	<u>92,333</u>	<u>80,875</u>

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Homeless Link	29,950	-	29,950
Rushcliffe Borough Council	12,239	10,000	22,239
Nottinghamshire County Council	11,240	760	12,000
Nottinghamshire Community Foundation	-	14,056	14,056
Nottingham City Council	-	4,149	4,149
The Samworth Foundation	9,880	10,000	19,880
The Jones 1986 Charitable Trust	15,000	-	15,000
Masonic Charitable Foundation	-	13,125	13,125
Boots Charitable Trust	-	9,552	9,552
The Thomas Farr Charity	-	5,000	5,000
Winnifred Eileen Kemp Trust	5,000	-	5,000
Greenwood Christian Trust	4,250	-	4,250
Lady Hind Trust	-	4,000	4,000
J N Derbyshire Trust	-	4,000	4,000
Anonymous grants	4,000	2,200	6,200
Mary Potter Convent Hospital Trust	-	2,000	2,000
The Dunn Family Trust	2,000	-	2,000
The Sage Trust	2,000	-	2,000
Severn Trent Water	2,000	-	2,000
The Archer Trust	1,000	-	1,000
Other Trusts < £1,000	1,182	400	1,582
Donations from individuals & groups	180,425	2,811	183,236
Churches	32,498	7,180	39,678
Corporate support	25,835	3,100	28,935
Legacy	13,002	-	13,002
HMRC JRS Grant	40,434	-	40,434
Gift Aid	25,321	-	25,321
	<u>417,256</u>	<u>92,333</u>	<u>509,589</u>

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

5 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
	£	£	£
Local fundraising	10,649	10,649	27,191
	<u>10,649</u>	<u>10,649</u>	<u>27,191</u>

6 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	347	347	700
	<u>347</u>	<u>347</u>	<u>700</u>

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Expenditure on charitable activities

	Unrestricted General funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Cleaning	397	3,403	3,800	10,481
Costs of fundraising	2,839	-	2,839	2,640
Communications	2,993	3,453	6,446	8,891
Depreciation	5,950	-	5,950	8,860
Insurance	10,930	33	10,963	11,214
IT software & maintenance	8,218	1,553	9,771	11,022
Marketing	203	-	203	832
Payroll service	1,361	-	1,361	1,373
Legal & professional fees	1,359	-	1,359	4,659
Rent & services	16,716	10,088	26,804	24,689
Repairs & maintenance	56	5,609	5,665	8,200
Resources & equipment	2,572	9,703	12,275	3,489
Salaries, NI & pension	138,627	143,551	282,178	234,551
Staff expenses	-	39	39	435
Stationery & office expenses	662	254	916	1,156
Subscriptions	661	-	661	877
Training	80	355	435	695
Utilities	1,687	6,206	7,893	12,475
Vehicle costs	-	3,217	3,217	2,538
Welfare expenses	3,608	5,635	9,243	19,454
Recruitment	-	-	-	614
Sundry expenses	-	2	2	553
	<u>198,919</u>	<u>193,101</u>	<u>392,020</u>	<u>369,698</u>

8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>5,950</u>	<u>8,860</u>

9 Trustees remuneration and expenses

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

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

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2021	2020
	£	£
Independent examination	<u>970</u>	<u>970</u>

11 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Staff costs during the year were:		
Wages and salaries	259,759	218,803
Social security costs	14,580	10,399
Pension costs	<u>7,839</u>	<u>5,349</u>
	<u>282,178</u>	<u>234,551</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021	2020
	No	No
Average number of employees	<u>15</u>	<u>15</u>

9 (2020 - 7) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £7,839 (2020 - £5,349).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £84,338 (2020 - £70,899).

12 Taxation

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

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Tangible fixed assets

	Leasehold improvements £	General equipment £	Vehicles £	Total £
Cost				
At 1 April 2020	136,413	37,160	16,118	189,691
At 31 March 2021	136,413	37,160	16,118	189,691
Depreciation				
At 1 April 2020	136,413	33,914	7,556	177,883
Charge for the year	-	3,246	2,704	5,950
At 31 March 2021	136,413	37,160	10,260	183,833
Net book value				
At 31 March 2021	-	-	5,858	5,858
At 31 March 2020	-	3,246	8,562	11,808

14 Debtors

	2021 £	2020 £
Prepayments	8,825	7,779
Other debtors	3,465	3,992
	12,290	11,771

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	405	554
Cash at bank	420,623	279,769
	421,028	280,323

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	268	506
Accruals	12,326	8,072
Deferred income	5,343	2,650
	17,937	11,228

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

17 Obligations under leases and hire purchase contracts

The company has two leases for premises, one for units 6C and 6D at Ludlow Hill Road and the other for 34a Musters Road. During this year they have also taken additional space at 34a for the Advice Centre, currently this is under a tenancy at will and a formal lease will be signed in the following financial year.

The total value of future minimum lease payments was as follows:

	2021 £	2020 £
Within one year	11,693	15,150
In two to five years	-	7,393
	<u>11,693</u>	<u>22,543</u>

18 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

19 Related party transactions

There were no related party transactions in the year.

20 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
<i>General</i>					
General fund	292,674	428,252	(198,919)	(113,071)	408,936
Restricted funds					
Day Centre	-	69,132	(182,203)	113,071	-
Advice Centre	-	23,201	(10,898)	-	12,303
Total restricted funds	<u>-</u>	<u>92,333</u>	<u>(193,101)</u>	<u>113,071</u>	<u>12,303</u>
Total funds	<u>292,674</u>	<u>520,585</u>	<u>(392,020)</u>	<u>-</u>	<u>421,239</u>

Friary Drop-in Ltd

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
General fund	278,295	315,594	(161,579)	(139,636)	292,674
Restricted funds					
Day Centre	-	68,483	(208,119)	139,636	-
Total funds	<u>278,295</u>	<u>384,077</u>	<u>(369,698)</u>	<u>-</u>	<u>292,674</u>

The specific purposes for which the funds are to be applied are as follows:

The Day Centre fund shows the income raised and donated towards the running of the Friary drop-in day centre and the income was from many sources.

The Advice Centre fund shows the income which was received in relation to the new advice centre and the related expenditure.

The transfer from the General fund to the Day Centre fund is to cover the deficit on this activity and represents the amount of unrestricted funds needed to support this activity.

21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	2021 Total funds
	General £	£	£
Tangible fixed assets	5,858	-	5,858
Current assets	421,015	12,303	433,318
Current liabilities	(17,937)	-	(17,937)
Total net assets	408,936	12,303	421,239
		Unrestricted funds	2020 Total funds
		General £	£
Tangible fixed assets		11,808	11,808
Current assets		292,094	292,094
Current liabilities		(11,228)	(11,228)
Total net assets		292,674	292,674