

Charity Registration No. 1058536

Company Registration No. 3255850 (England and Wales)

THE NEHEMIAH PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

The  **ehemiah** Project

THE NEHEMIAH PROJECT

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LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	1058536
Company number	3255850
Registered office	47 Tooting Bec Gardens London SW16 1RF
Auditor	Begbies 9 Bonhill Street London EC2A 4DJ
Bankers	NatWest plc NatWest Bank Plc 145 Clapham High Street London SW4 7SN

THE NEHEMIAH PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and accounts for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The Nehemiah Project has over 25 years' experience of working with men with a history of addiction. Our clients are arguably some of the most marginalised and excluded individuals in society, with multiple and complex needs.

Our high level objectives are:-

- To enable vulnerable men who are ex-offenders to break free from crime and addiction and to help them rebuild their lives
- To offer men, once released from prison, the resources to set new goals and give them hope for the future
- To assist in their reintegration into the community through the provision of supported housing immediately after release and beyond as well as the provision of rehabilitation programmes.

A key aim is to build resilience in our Residents so that when they move on they can deal with unexpected and challenging life events without resorting to old behaviours, and to provide coping strategies to avoid relapse.

Vision

To be a centre of excellence for rehabilitating men from crime and addiction through the transformation of their lives to become fulfilled, valuable members of the community.

Mission

The Board and all Nehemiah staff believe that anyone can change their life, and this underpins all our work. Our holistic, peer-group approach to recovery creates a safe place where men can go through the painful process of reviewing their lives and establishing a new foundation on which to build their future. We support each man to reach his potential, and we celebrate their success.

Key achievements 2022

In the past twelve months we:

- Continued to offer a wide range of support for Nehemiah Residents – the core 12-week A New Future recovery programme, our second-stage move-on programme, family support, counselling psychology support and offered Residents a new personal wellbeing grant, with thanks from one of our Charitable Trusts.
- Commenced our online programme, supporting men from Emmaus Communities and plan to reach out to more people in 2023.
- Commenced our peer-mentoring programme in partnership with The Forward Trust, training seven former Nehemiah Residents, Nehemiah Residents in stage two of the programme and volunteers as Peer Mentors, supporting new Nehemiah Residents.
- Have developed our volunteering programme with 31 volunteers regularly volunteering on a range of activities.

Priorities for 2023

Our priorities are to:

- Continue to improve programme delivery and aftercare with peer-mentor support.
- Reach more people with our online programme.
- Continue to bring our finances into a more stable position, increasing our level of reserves.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

- Implement our strategy for growth and development towards the "Nehemiah Vision 100" (100 rooms by 2030).
- Determine the location and timing of our next phase of growth.

Nehemiah 2022

Overview

We achieved our 2022 objectives with the following outcomes:

- We returned to our normal operations following Covid, seeing occupancy levels return to pre-Covid levels across our five houses.
- Our finances stabilised, bringing more income into the charity, both in grants and individual donations as well as enhanced Housing Benefit.
- We continued to explore our potential to operate beyond London, seeking additional properties in partnership with a Housing Association based in East Anglia, as we seek to achieve our ambition to have 100 rooms by 2030.
- We continued to improve programme delivery and implemented our peer-mentoring programme and introduced our online programme delivered to people in another supported housing organisation.
- Our new volunteering programme continued to develop and grow with volunteers and Residents working together to clean up our gardens, decorate houses, provide healthy cooking workshops, IT and fundraising support.

1 - Performance Delivery

Nehemiah has an excellent record of both reducing reoffending and reducing drug and alcohol dependency. In 2022 we endeavoured to continue to improve our services and our outcomes.

	2014	2015	2016	2017	2018	2019	2020	2021	2022
No. of Residents completing the first stage of the programme or still with us	19	14	21	28	26	31	27	28	28
No. of men worked with	28	40	31	37	39	48	41	42	47
Percentage of men remaining abstinent for one year	68%	64%	74%	75%	71%	71%	52% *	45% *	59
Residents obtaining full time employment	14	11	9	11	7	11	7	9	10
Residents in work, vocational training or voluntary work	12	19	10	8	20	14	21	10	20
No of Residents reoffending or recalled within one year of leaving Nehemiah	1	1	1	2	0	4	4 **	4 **	7***

* We consider this decrease to be a direct result of Covid-19 and the resulting limitations on face to face contact with men passing through the charity.

** All were recalls of new Residents who did not settle into Nehemiah and relapsed in the first week; we have reviewed these and we suspect that this relates to the substantial changes to the prison regime resulting from Covid-19.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

**** Overall this number is a direct result of Covid-19. It includes one person who relapsed and was recalled but from prison he made a very strong case to return to Nehemiah and he has since graduated and is doing very well.*

A New Future is a rolling programme which men can join at any point and complete the twelve modules. It is a 12-week programme delivered each weekday morning at our first-stage houses, focusing on recovery and resettlement through process groups and education sessions. We encourage the participating cohort to work through issues together, sharing experiences, challenging one another and learning to resolve conflict. This has helped build resilience to increase the men's ability to cope with the day-to-day social, emotional and practical pressures.

Priorities for 2023

Our priorities are to:

- Continue to improve programme delivery and aftercare with peer-mentor support.
- Reach more people with our online programme.
- Continue to bring our finances into a more stable position, increasing our level of reserves.
- Implement our strategy for growth and development towards the "Nehemiah Vision 100" (100 rooms by 2030).
- Determine the location and timing of our next phase of growth.

2 - Financial Prudence and Sustainability

Maintaining financial prudence is a key element of the success of any charity:

- We continued to build relationships with key funders, in a very challenging environment and successfully secured some multi-year grants.
- We maintained tight financial control with regular reporting to Trustees.

In 2022 we were able to increase income through Trusts and Foundations, securing some multi-year grants and due to an increase in occupancy following Covid-19, our enhanced Housing Benefit payments increased. In 2022 the Charity had a total income of £921,754 and a total expenditure of £907,178, showing a surplus of £14,576. Income increased 43% from 2021, including an increase in Housing Benefit by 41%. Expenditure also increased by 10% due to increased salary costs.

Designated funds include the £814,931 property capital fund, which is our investment in the freehold of the Charity's main property in Streatham. It is anticipated that these funds will remain invested in the property for the foreseeable future. Unless the property is sold or re-mortgaged, these funds are not directly accessible.

Nehemiah's general unrestricted funds at the end of 2022 stand at £37,032, an increase of £30,402 from 2021.

Management will focus over the next two years on building these reserves back to meet the desired level of three months' operating funds which would be £232,000.

3 - Reserves Policy

The majority of our funding for operational costs comes from grants and donations, for which we are grateful. Budgeting for these is difficult as it depends on unpredictable timescales. For liquidity purposes, the Trustees would like to attain £232,000 cash reserves (three months' operating costs), which will be made up of restricted and unrestricted funds. The Charity has a strategy to continue to build its reserves as and when that becomes possible. The Charity's tangible fixed assets were £904,931 at 31 December 2022.

4 - Other events of note:

- Three Resident Graduations took place with 18 men graduating.
- We were visited by our local MP Bell Ribeiro-Addy, The MP for Streatham as part of our celebrations of Black History Month.
- We continued to be active members of Prisons Week
As a Charity we continued to benefit from the Lloyds Enhance Programme.

THE NEHEMIAH PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Nehemiah 2023

Strategic Overview

In 2023, we aim to improve our services and outcomes for Residents, focusing on wellbeing following two challenging Covid years. We see this as a priority before growing the charity further. The needs of the men coming to Nehemiah are complex, and we wish to continue to offer an improved programme with a variety of services to give them the best recovery for themselves, their families and the wider community.

1 – Improve our services and outcomes following two challenging years 2020-2021. Nehemiah has an excellent record of both reducing reoffending and reducing drug and alcohol dependency and we want to maintain and improve abstinence rates and our second-stage programme.

In 2023, we intend to continue to improve our services and the outcomes we deliver. To achieve this, we will:

- Continue to offer Family Support to those Residents who need to reconnect with their families, and to establish an external support group to offer to family members.
- Further develop our relationships within releasing prisons to make sure that Nehemiah is clearly 'signposted' to those who may benefit.
- Provide all Residents with a wellbeing personal grant, counselling psychology support and an opportunity to secure meaningful employment or training through the 'Nehemiah Works' employment and training support.
- Continue to develop our peer-mentoring programme, training more people to become peer mentors, ensuring new Nehemiah Residents receive additional support, especially at evenings and weekends.
- Continue to develop and deliver more online recovery programme sessions accessible to other partner organisations.
- Continue to develop a programme for staff wellbeing that will create resilience and effectiveness in our staff, resulting in a positive, rewarding, and creative work environment.
- Continue to update the IT infrastructure and equipment, including new Residents and Fundraising databases
- Integrate into our work the results of independent research based on our programme and outcomes.

2 - Financial Prudence and Sustainability

In 2023 we aim to secure enough funding to offer improved services at the same time as building back up our free reserves so that we will be in a better place to grow the charity, increasing the number of men we help annually. Maintaining financial prudence and developing sustainability is a key element of the success of Nehemiah. To achieve this in 2023 we will:

- Closely monitor the achievement of our quarterly revenue and expenditure targets to sustain our growth.
- Continue to collaborate with The British Association of the Sovereign Order of Malta to achieve our joint objectives.
- Build longer-term relationships with core funders, as well as recognising the contribution of our individual donors.
- Fully implement Donorfy, our new CRM (Customer Relationship Management) database in order to steward our donors more effectively and improve our communications.
- Continue to raise the profile of Nehemiah through a variety of communication channels with a view to recruiting further supporters.

3 – Growth - Develop and initiate planning to implement "Nehemiah Vision 100"

- Where we wish to go
 - Continue to develop 'Vision 100' which seeks to offer 100 bed spaces by no later than 2030.
 - Continue to work with housing partners outside of London to explore Nehemiah facilities.
 - Ensure that we maintain the ethos of Nehemiah in each of our properties.
 - When we reach that target, we will be helping a possible 300 residents every year and we believe that growth beyond that is possible.
 - We seek to increase our reach by refining 'remote' delivery of our course in partnership with others who provide accommodation.
- What gives us the confidence to attempt this?
 - We have a stable platform which has withstood the ravages of the pandemic, lockdown and social distancing.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

- 'A New Future' produces a high proportion of positive outcomes (independently assessed and evaluated).
- Our product is replicable and is cost-effective (it costs c.£10k per successful graduate compared with the cost of keeping someone in prison of £45k per person p.a.)
- We have an experienced management team supported by a board with wide and relevant experience.
- We are encouraged and supported by the British Association of the Sovereign Order of Malta.

Nehemiah's approach to fundraising

Our supporters are key to everything we do. Each year they enable us to help vulnerable men recover their lives. We are committed to being fully transparent and accountable about how their gifts are used.

Our fundraising costs are kept to a minimum, with 8% of revenue being spent on the cost of raising funds. All fundraising is done in-house with no third-party involvement.

We are members of the Fundraising Regulator and as members we follow the Code of Fundraising Practice and the policy of dealing with vulnerable people.

In the financial year ending 31 December 2022 we did not receive any complaints about our fundraising.

We keep up to date on changing regulation and ensure we comply with it by changing processes where necessary.

Structure, governance and management

The Nehemiah Project is a Company Limited by Guarantee, governed by its Memorandum as amended and adopted by Special Resolution in 2009, and Articles of Association dated 4th September 2019. The new Articles adopted in 2019 were drafted to streamline the procedural running of the Charity, but had no effect on the Charity's existing objects or purpose. The Nehemiah Project is a registered Charity with the Charity Commission of England and Wales. In the event of winding up, members' liabilities are limited to £1 each.

The Trustees, who are the Directors for the purposes of company law, and who served during the year were:

Mr. T. B. Aikens	Mrs. K. P. Hunter Johnston
Mr. W. Ansell	Mr. A. T. R. Nell (Chair, until 27-10-22)
Mr. R. M. Atwater	Mr. A. P. Watson
Mr. G. S. Boyle	Miss J. S. Whitaker
Mr. C. Matthews (Chair from 27-10-22)	

Trustees are appointed by resolution of the existing Trustees. Most new Trustees will be familiar with the practical work of Nehemiah and all Trustees attend information events to keep up-to-date. New Trustees receive all relevant information relating to Nehemiah, and undergo a thorough induction covering decision-making processes, key employees and future plans and objectives. They are also advised of their legal obligations as Trustees.

The Trustees meet quarterly and ad hoc as events dictate. Between January 2022 and July 2022 the Board met electronically due to Covid-19, since July all meetings have been 'in person' with the option to also join by zoom. Trustees have continued to receive regular financial reports and updates on Nehemiah's activities and fundraising despite the move to primarily electronic operation. The Board of Trustees is responsible for the overall legal, financial and strategic direction and development of Nehemiah.

Public Benefit

The Trustees consider that they have complied with the duty to have due regard to public benefit guidance published by the Charity Commission.

THE NEHEMIAH PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Management Team

- Dr J. Patience, Chief Executive Officer
- Ms L. Ravenscroft, Development Director
- Mrs L. Hawthorne, Operations Director (Until October 2022)
- Miss A. Sissuh, Supported Housing Manager
- Mr Josh Benfield, Operations Manager (From October 2022)

Day-to-day management, including finance, HR and operations, is the responsibility of the CEO. He is supported by the other members of the management team, who have been meeting weekly during 2022, and who take responsibility for the assets of Nehemiah, supported housing and fundraising. The Board of Trustees is responsible for setting the remuneration of the employees including the CEO.

Risks

The Trustees review Nehemiah's main risks quarterly. They are responsible for approving and then overseeing the implementation of any changes to procedures, training or other actions to mitigate the risks Nehemiah faces. All areas are RAG rated, with high priority areas separately highlighted and reported.

A Risk Register is maintained and presented at each Directors' Meeting. The Risk Register is available upon request.

Relationship with other charities

Two of the Charity's move-on homes, The Chase and Pountney Road, both in South London, are owned by Sanctuary Housing. Since 2013 Nehemiah has been Managing Agent for these properties. As such the Residents are Sanctuary Housing Licensees, managed by Nehemiah. The Charity's fourth and fifth houses, 1-3 Frederick Gardens and 98 Lodge Road, Croydon, are owned by Croydon Churches Housing Association (CCHA). The Charity has signed a five-year lease with CCHA for these properties terminating in September 2025. This has enabled Nehemiah to support a greater number of vulnerable adults recovering from drug/alcohol addiction.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Nehemiah Project for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

Auditor

In accordance with Nehemiah's Articles, Trustees will appoint suitably-qualified Auditors.

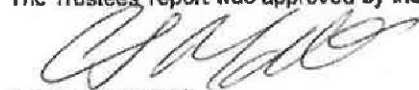
THE NEHEMIAH PROJECT

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Mr C. Matthews (Chairman)

Trustee

Dated:

1/ August / 2023

THE NEHEMIAH PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE NEHEMIAH PROJECT

Opinion

We have audited the financial statements of The Nehemiah Project (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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 December 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

THE NEHEMIAH PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE NEHEMIAH PROJECT

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 directors' report included within the Trustees' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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 related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE NEHEMIAH PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE NEHEMIAH PROJECT

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of the Board meetings during the period;
- incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. 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 auditor's 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.



Katherine Dee FCA (Senior Statutory Auditor)
for and on behalf of Begbies

Chartered Accountants
Statutory Auditor

7/8/2027

9 Bonhill Street
London
EC2A 4DJ

THE NEHEMIAH PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	302,621	228,822	531,443	367,532
Charitable activities	3	390,281	-	390,281	276,878
Investments- bank interest		30	-	30	8
Total income		692,932	228,822	921,754	644,418
Expenditure on:					
Raising funds	4	65,014	-	65,014	55,685
Charitable activities					
Supported Housing Programme	6	612,469	218,461	830,930	764,240
A New Future Online	6	1,234	10,000	11,234	7,123
Total charitable expenditure		613,703	228,461	842,164	771,363
Total resources expended		678,717	228,461	907,178	827,048
Net incoming/(outgoing) resources before transfers		14,215	361	14,576	(182,630)
Gross transfers between funds		16,920	(16,920)	-	-
Net income/(expenditure) for the year/ Net movement in funds		31,135	(16,559)	14,576	(182,630)
Fund balances at 1 January 2022		820,828	34,054	854,882	1,037,512
Fund balances at 31 December 2022		851,963	17,495	869,458	854,882

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

THE NEHEMIAH PROJECT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	2	120,409	247,123	367,532
Charitable activities	3	276,878	-	276,878
Investments		8	-	8
Total income		397,295	247,123	644,418
Expenditure on:				
Raising funds	4	55,685	-	55,685
Charitable activities				
Supported Housing Programme	6	462,469	301,771	764,240
A New Future Online	6	7,123	-	7,123
Total charitable expenditure		469,592	301,771	771,363
Total resources expended		525,277	301,771	827,048
Net incoming/(outgoing) resources before transfers		(127,982)	(54,648)	(182,630)
Gross transfers between funds		65,270	(65,270)	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		(62,712)	(119,918)	(182,630)
Fund balances at 1 January 2022		883,540	153,972	1,037,512
Fund balances at 31 December 2022		820,828	34,054	854,882

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

THE NEHEMIAH PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		904,931		904,198
Current assets					
Debtors	10	100,895		24,139	
Cash at bank and in hand		181,740		240,522	
		282,635		264,661	
Creditors: amounts falling due within one year	11	(202,277)		(187,050)	
Net current assets			80,358		77,611
Total assets less current liabilities			985,289		981,809
Creditors: amounts falling due after more than one year	12		(115,831)		(126,927)
Net assets			869,458		854,882
Income funds					
Restricted funds	17		17,495		34,054
<u>Unrestricted funds</u>					
Designated funds	16	814,931		814,198	
General unrestricted funds		37,032	✓	6,630	
			851,963		820,828
			869,458		854,882

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

The accounts were approved by the Trustees on

27/July/2023

C Matthews
Trustee

Company Registration No. 3255850

THE NEHEMIAH PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(32,263)		(99,931)
Investing activities					
Purchase of tangible fixed assets		(16,920)		(65,270)	
Investment income received		30		8	
Net cash used in investing activities			(16,890)		(65,262)
Financing activities					
Repayment of bank loans		(9,629)		(4,739)	
Net cash used in financing activities			(9,629)		(4,739)
Net decrease in cash and cash equivalents			(58,782)		(169,932)
Cash and cash equivalents at beginning of year			240,522		410,454
Cash and cash equivalents at end of year			181,740		240,522

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Nehemiah Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 47 Tooting Bec Gardens, London, SW16 1RF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

The free reserves of the charity are very low. However the charity has cash available to meet day to day activities due to the structure of long term borrowing. The charity also owns the freehold premises at 47 Tooting Bec Gardens which is stated in these accounts at cost. The trustees are of the opinion that were the charity in need of funds, further borrowing could be secured in the short term or the property could be sold.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds are a category of unrestricted fund set aside by the trustees for a specific purpose. The designated funds of The Nehemiah Project reflect the funds invested in the fixed assets of the charity and not available for day to day use, and the funds set aside by the trustees as detailed in the reserves policy.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Grants are recognised at the point when the charity is notified of the grant and the charity is entitled to the income. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the donor or the charity has received the income, but there is no entitlement to spend the funds at the year end. If the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end, and the funds have not been received, the funds will not be recognised in the accounts.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing activities of the charity.

Grants are recognised as unrestricted if the donor either does not state any restriction on use or the restriction is to use funds for the supported housing project, as this is the only activity undertaken by the charity.

Grants that are received for the general operation of the charity, rather than on the basis of a contract for services or for meeting a specified level of services, the grant is shown as a donation.

Were a grant to be received with performance conditions it would be shown as income from charitable activities and would be deferred to the extent the charity has yet to fulfil the performance obligations.

Housing benefits and other rental contributions are accounted for when receivable.

Income from fundraising activities includes ticket sales, receipts from charity auctions and other income which is earned in the course of events run by the charity. Sponsorships for marathons, fun runs and other events are shown in donations as these are in effect gifts.

Income from events is included in the year in which the event has taken place.

1.5 Resources expended

Liabilities for costs are recognised in the statement of financial activities as they are incurred.

The charity has two charitable activities, being the operation of a supported housing programme and A New Future Online. The administrative activities are run from one of the supported housing buildings which is owned by the charity, and accordingly there is little general overhead cost.

The costs of fundraising activities and reporting to funders are separately identifiable and directly allocated.

General office costs are all allocated to the supported housing activity due to the immaterial size of those attributable to fundraising and online activities.

1.6 Tangible fixed assets

Tangible fixed assets costing over £500 are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Nil
Leasehold improvements	Over the life of the lease
Fixtures, fittings & equipment	25% straight line
Computers	33% straight line

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Freehold land and buildings, representing one of the supported housing homes, is not depreciated as the trustees consider the residual value to be higher than carrying value. The land and property is stated at cost and at the year end the open market value was considered to exceed the carrying value. The value of the home is reviewed annually for impairment.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Total	Total
	2022	2021
	£	£
Donations and gifts	73,179	44,341
Grants towards ongoing operations	410,829	428,777
Less: net deferred income	22,957	(106,369)
Other including London Marathon sponsorships	24,478	783
	<u>531,443</u>	<u>367,532</u>

Note 21 contains details of donations by related parties.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Donations and legacies

(Continued)

	Total	Total
	2022	2021
	£	£
Grants receivable for core activities		
B&Q Neighbourly Foundation	-	5,000
British Association of the Order of Malta	30,000	-
Cicely Northcote	10,000	-
Charles Hayward Foundation	-	25,000
CRASH	-	6,294
Drapers' Charitable Funds	-	20,000
Help the Homeless	-	5,000
Lloyds Bank Foundation	27,250	33,000
London Borough of Lambeth	-	5,000
Maurice & Hilda Lang Charitable Trust	-	5,000
National Lottery Community Fund	44,000	50,000
Nationwide Community Fund	-	50,000
Screwfix Foundation	-	5,000
Sir Harold Hood Charitable Trust	5,000	-
Tara Getty Foundation	-	10,000
The 29th May 1961 Charitable Trust	-	5,000
The Albert Hunt Trust	5,000	-
The AD Charitable Trust	20,000	-
The Borrows Charitable Trust	8,500	-
The Garfield Weston Foundation	40,000	-
The Global Fund for Forgotten People	53,129	104,948
The Henry Smith Charity	39,000	59,100
The Jerusalem Trust	40,000	-
The Monday Trust	10,000	-
The Reed Foundation	7,500	-
The Society of the Holy Child Jesus	20,000	-
The Worshipful Company of Mercers	25,000	20,000
The Worshipful Company of Vintners	10,000	10,000
Other £3,000 and below	16,450	10,435
	<u>410,829</u>	<u>428,777</u>

3 Charitable activities

	Supported housing income	Supported housing income
	2022	2021
	£	£
Housing benefit and other rental income	<u>390,281</u>	<u>276,878</u>

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Raising funds

	2022 £	2021 £
Seeking donations, grants and legacies	4,498	3,758
Staging fundraising events	2,925	1,980
Staff costs	57,591	49,947
Costs of operating fundraising events	65,014	55,685

5 Employees

Number of employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
17	14

Employment costs

	2022 £	2021 £
Wages and salaries	485,198	426,641
Social security costs	44,649	38,094
Defined contribution pension costs	6,701	7,379
	536,548	472,114

The number of employees whose annual remuneration, excluding employers' national insurance and pension contributions, was £60,000 or more were:

	2022 Number	2021 Number
£60,001-£70,000	1	1

Pension contributions for higher paid staff total £1,321 (2021: £1,319).

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	Supported Housing Programme 2022 £	A New Future Online 2022 £	Total 2022 £	Supported Housing Programme 2021 £	A New Future Online 2021 £	Total 2021 £
Staff costs	404,633	5,000	409,633	371,305	-	371,305
Depreciation and impairment	16,187	-	16,187	12,122	-	12,122
Staff and volunteer expenses, recruitment and training	9,910	-	9,910	163	-	163
Rent and rates	117,166	-	117,166	115,874	-	115,874
Repairs and renewals	24,046	-	24,046	63,413	-	63,413
Light and heat	30,333	-	30,333	28,468	-	28,468
Motor and travel	881	-	881	939	-	939
Residents needs	2,894	-	2,894	2,571	-	2,571
Consultancy, clinical supervision and other professional fees	33,303	6,234	39,537	18,205	7,123	25,328
Subscriptions and licences	1,259	-	1,259	1,441	-	1,441
Cleaning materials and refuse disposal	5,839	-	5,839	3,935	-	3,935
Food	2,834	-	2,834	1,961	-	1,961
Special projects	4,474	-	4,474	8,769	-	8,769
Insurance	19,761	-	19,761	18,699	-	18,699
Programme costs	3,595	-	3,595	3,709	-	3,709
Sundry costs	1,937	-	1,937	1,079	-	1,079
	<u>679,052</u>	<u>11,234</u>	<u>690,286</u>	<u>652,653</u>	<u>7,123</u>	<u>659,776</u>
Share of support costs (see note 8)	123,530	-	123,530	99,830	-	99,830
Share of governance costs (see note 8)	28,348	-	28,348	11,757	-	11,757
	<u>830,930</u>	<u>11,234</u>	<u>842,164</u>	<u>764,240</u>	<u>7,123</u>	<u>771,363</u>
Analysis by fund						
Unrestricted funds	612,469	1,234	613,703	462,469	7,123	469,592
Restricted funds	218,461	10,000	228,461	301,771	-	301,771
	<u>830,930</u>	<u>11,234</u>	<u>842,164</u>	<u>764,240</u>	<u>7,123</u>	<u>771,363</u>

2022 supported housing consultancy fees includes £14,445 for counselling and £1,440 clinical supervision. 2022 A New Future Online consultancy comprises the continued costs of writing the online programme and the pilot project.

2021 supported housing consultancy fees includes £13,832 for counselling and £2,080 clinical supervision. 2021 A New Future Online consultancy comprises the initial costs of writing the online programme.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Description of charitable activities

Supported Housing Programme

Residential supported housing services for those recovering from addiction.

A New Future Online

In 2021, the Charity started to create a programme which can be delivered online, either directly or through partner organisations. The programme is still at pilot stage and no material general overheads arise are applicable to this activity.

8 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Staff costs	69,324	-	69,324	50,862
Printing, postage and stationery	14,909	-	14,909	15,334
Telephone	7,379	-	7,379	6,250
Staff recruitment	1,617	-	1,617	2,756
HR support and professional fees	7,719	-	7,719	4,617
Computer expenses	18,001	-	18,001	17,009
Loan interest	831	-	831	585
Sundry expenses	952	-	952	1,003
Training and staff subscription costs	2,798	-	2,798	1,414
Audit fees	-	5,880	5,880	5,880
Accountancy	-	2,070	2,070	2,292
Legal and professional	-	20,398	20,398	3,585
	<u>123,530</u>	<u>28,348</u>	<u>151,878</u>	<u>111,587</u>
Analysed between				
Charitable activities	<u>123,530</u>	<u>28,348</u>	<u>151,878</u>	<u>111,587</u>

Support costs are allocated to charitable activities in proportion to salary costs incurred. No material support costs relate to fundraising.

Governance costs includes payments to the auditors of £5,880 including VAT (2021- £5,880) for audit fees and £2,070 including VAT (2021- £2,292) for the provision of management accounts during the year.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Tangible fixed assets

	Land and buildings	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2022	884,094	15,845	158,336	43,688	1,101,963
Additions	-	-	-	16,920	16,920
At 31 December 2022	884,094	15,845	158,336	60,608	1,118,883
Depreciation and impairment					
At 1 January 2022	-	9,507	148,425	39,833	197,765
Depreciation charged in the year	-	3,169	5,361	7,657	16,187
At 31 December 2022	-	12,676	153,786	47,490	213,952
Carrying amount					
At 31 December 2022	884,094	3,169	4,550	13,118	904,931
At 31 December 2021	884,094	6,338	9,911	3,855	904,198

10 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	72,714	11,665
Prepayments and accrued income	28,181	12,474
	100,895	24,139

11 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	13	9,800	8,333
Other taxation and social security		13,230	10,083
Deferred income	14	93,412	116,369
Trade creditors		42,038	34,153
Accruals		43,797	18,112
		202,277	187,050

Accruals at 2022 includes £30,706 of rent which had yet to be invoiced at the balance sheet date.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	13	25,831	36,927
Britland Charitable Trust loan		90,000	90,000
		<u>115,831</u>	<u>126,927</u>

13 Loans and overdrafts

	2022 £	2021 £
Bank and trust funding	<u>125,631</u>	<u>135,260</u>
Payable within one year	9,800	8,333
Payable after one year	<u>115,831</u>	<u>126,927</u>

During the 2020 year the charity repaid its Charity Bank loan with a NatWest Bounce Back loan. The loan has a fixed interest rate of 2.5% and is repayable over six years, with no interest or repayments for the first twelve months. The Bounce Back loan is unsecured.

The £90,000 Britland Trust loan is unsecured, non interest bearing and has no fixed repayment date. No amounts have been recognised in the accounts for the donation in kind of interest forgone or in respect of discounting to net present value due to no agreed schedule of repayments.

14 Deferred income

	2022 £	2021 £
Performance related grants	13,108	16,000
Grants for a future time period	<u>80,304</u>	<u>100,369</u>
	<u>93,412</u>	<u>116,369</u>

All deferred income is expected to reverse within one year.

15 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees under an auto enrolment pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,701 (2021 - £7,379)

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Designated funds

The unrestricted income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Resources expended	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Property capital fund	761,050	(12,122)	65,270	814,198	(16,187)	16,920	814,931
	<u>761,050</u>	<u>(12,122)</u>	<u>65,270</u>	<u>814,198</u>	<u>(16,187)</u>	<u>16,920</u>	<u>814,931</u>

Property capital fund - Income invested in the charity's residential homes, furnishings and equipment. The Britland Trust loan was made to the charity to fund the purchase of 47 Tooting Bec Gardens and has been allocated to this fund to identify where resources are used.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021 £	Movement in funds			Transfers 1 January 2022 £	Balance at 1 January 2022 £	Movement in funds			Transfers £	Balance at 31 December 2022 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
Family support programme	-	-	-	-	-	-	-	-	-	-	-
Salaries Fund	7,867	178,179	(186,046)	-	-	-	11,250	(11,250)	-	-	-
A New Future supported housing	-	37,500	(37,500)	-	-	-	157,977	(157,977)	-	-	-
Programme expansion	11,533	-	(11,533)	-	-	-	22,500	(22,500)	-	-	-
Property repairs and refurbishments	72,093	21,444	(41,311)	(52,226)	-	-	-	-	-	-	-
Nehemiah Works	-	5,000	(5,000)	-	-	-	6,750	(6,750)	-	-	-
IT costs	48,466	5,000	(6,368)	(13,044)	34,054	-	-	(1,367)	(16,920)	15,767	-
Residents needs	1,003	-	(1,003)	-	-	-	3,503	(1,775)	-	-	1,728
Counselling	13,010	-	(13,010)	-	-	-	11,700	(11,700)	-	-	-
Online programme	-	-	-	-	-	-	10,000	(10,000)	-	-	-
Residents mentoring programme	-	-	-	-	-	-	5,142	(5,142)	-	-	-
	153,972	247,123	(301,771)	(65,270)	34,054		228,822	(228,461)	(16,920)	17,495	

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Restricted funds

(Continued)

Family Support Programme	To fund work with families.
Salaries Fund	To fund the cost of specific salaries and posts.
A New Future supported housing	For funding the cost of the first stage core rehabilitation programme.
Programme expansion	For funding programme expansion into additional residential units.
Property repairs	For the refurbishment of 47 Tooting Bec Gardens and other property expenses
Nehemiah Works	An employment and training programme
IT costs	To fund IT improvements
Residents needs	Personal grants and other items for residents
Counselling	To fund the costs of a professional counsellor
Online Programme	To fund the costs of creating and delivering the new online programme
Residents mentoring programme	To fund the costs of residents peer mentoring

18 Analysis of net assets between funds

Fund balances at 31 December 2022 are represented by:

Tangible assets
Current assets/(liabilities)
Long term liabilities

Unrestricted free reserve	Property capital fund	Restricted funds	Total	Unrestricted free reserve	Property capital fund	Restricted funds	Total
2022	2022	2022	2022	2021	2021	2021	2021
£	£	£	£	£	£	£	£
-	904,931	-	904,931	-	904,198	-	904,198
62,863	-	17,495	80,358	43,557	-	34,054	77,611
(25,831)	(90,000)	-	(115,831)	(36,927)	(90,000)	-	(126,927)
37,032	814,931	17,495	869,458	6,630	814,198	34,054	854,882

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Limited by guarantee

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding-up each member is liable to contribute to any deficit to a maximum of £1 per member.

20 Operating lease commitments

Lessee

The 'Move On' house and Pountney Road are rented from Sanctuary Housing Trust under a management agreement. The agreed prevailing rent is £28,774 and £12,862 respectively and requires that the Charity provide support services to the residents. No adjustment to the rent is made in these accounts for the support provided to the residents. In April 2020 a two year agreement was signed, and this was extended for a further two years in 2021. There is a one year notice period in the event either party wishes to terminate the agreement.

Fredrick Gardens was occupied from January 2019 under a five year lease with an annually reviewed rent. The agreed prevailing rent stands at £22,088 at the balance sheet date. During the year the lease was extended to terminate in September 2025. The lease does not contain a break clause and so at the year end the charity was committed to a further one year of rental charge.

98 Lodge Road was occupied from September 2020 under a 3 year three month lease terminating on 17th January 2024. During the year the lease was extended to terminate on the same date in September 2025 as Fredrick Gardens. The rent is reviewed annually and the agreed prevailing rent stands at £38,556 and at the year. The charity has also committed to redecoration of the property at the end of the lease to a maximum cost of £10,000.

The total of the above payments is £147,763

21 Related party transactions

Mr R. Atwater, Mr G. Boyle and Miss J. Whitaker are all members of the Sovereign Military Hospitaller Order of St John of Jerusalem, of Rhodes and of Malta (the Order of Malta). The Nehemiah Project has received significant financial assistance from The Global Fund for Forgotten People, a fund with close ties to the Order of Malta, and the Order of Malta itself. The Trustees Report contains details of the work carried out with this funding and the income is disclosed in note 2.

During the year the charity received £8,210 (2021- £1,578) in giving from Trustees. These funds were not subject to any restrictions to activities beyond those normally undertaken by the charity.

The charity purchased trustees liability insurance as part of a combined insurance package and accordingly no cost has been attributed to governance and support costs.

None of the Trustees (or any persons connected with them) received any remuneration, travel expenses or benefits from the charitable company during the year.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation including pension and employers' national insurance	78,829	76,317

No financial guarantees have been given or received by related parties.

THE NEHEMIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

22 Analysis of changes in net funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	240,522	(58,782)	181,740
Loans falling due within one year	(8,333)	(1,467)	(9,800)
Loans falling due after more than one year	(36,927)	11,096	(25,831)
	<u>195,262</u>	<u>(49,153)</u>	<u>146,109</u>

23 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	14,576	(182,630)
Adjustments for:		
Investment income recognised in statement of financial activities	(30)	(8)
Depreciation and impairment of tangible fixed assets	16,187	12,122
Movements in working capital:		
(Increase)/decrease in debtors	(76,756)	55,383
Increase/(decrease) in creditors	36,717	(91,167)
(Decrease)/increase in deferred income	(22,957)	106,369
Cash absorbed by operations	<u>(32,263)</u>	<u>(99,931)</u>