EARLY BREAK

England & Wales · Charity number 1072052

Details

Status	Registered
Legal form	Charitable company
Company number	03320039
Registered	1998-10-20
Register	View on the Charity Commission register

Contact

Address	2nd Floor Castle Buildings 5 - 10 Market Place Bury BL9 0LD
Phone	01617233880
Email	info@earlybreak.co.uk
Website	www.earlybreak.co.uk

Activities

Objects: (A) THE RELIEF OF SICKNESS AND THE PRESERVATION OF GOOD HEALTH OF YOUNG PEOPLE WHO USE LEGAL AND ILLEGAL DRUGS BY THE PROVISION OF A COUNSELLING, SUPPORT AND TREATMENT SERVICE FOR SUCH PERSONS AND THEIR FAMILIES.(B) TO ADVANCE RESEARCH INTO THE USE OF SUBSTANCES BY YOUNG PEOPLE AND TO DISSEMINATE THE RESULTS OF SUCH RESEARCH.(C) TO ADVANCE THE EDUCATION OF THE PUBLIC, IN PARTICULAR YOUNG SUBSTANCE USERS AND MISUSERS AND THE PROFESSIONALS AND ORGANISATIONS WHO COME INTO CONTACT WITH SUCH PERSONS, BY PROVIDING APPROPRIATE TRAINING, ADVICE AND INFORMATION AND RESOURCES.(D)TO PROMOTE THE PHYSICAL AND MENTAL HEALTH AND WELLBEING OF YOUNG PEOPLE AND THEIR FAMILIES IN PARTICULAR BUT NOT EXCLUSIVELY BY PROVIDING ADVICE AND INFORMATION AND RAISING AWARENESS.

Activities: To provide the relief of sickness and the preservation of good health of young people who use legal and illegal drugs, by the provision of counselling, support and treatment services for such persons and their families. To advance research into the use of drugs and disseminate the results in the areas of Bury, Rochdale and East Lancashire.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Bolton
- Bury
- Lancashire
- Rochdale

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,228,375	£5,156,464	£2,195,294	119
2024-03-31	£4,948,003	£4,436,786	£2,123,383	110
2023-03-31	£4,425,392	£3,915,287	£1,612,166	104
2022-03-31	£3,125,064	£2,832,559	£1,102,061	74
2021-03-31	£2,177,110	£1,866,087	£809,556	54

Trustees

Name	Role	Appointed
Dr Louise Sell		2020-01-21
Howard Millington		2020-10-19
Janice Allen		2023-01-17
LYDIA THERESE EDGAR		2013-07-04
Ling Lee		2025-03-12
STEPHEN RONALD WILLIAM MARLEY		2013-07-04
Tracy Hill		2019-02-13

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EARLY BREAK

England & Wales - Charity number 1072052

Accounts

EARLY BREAK

FINANCIAL STATEMENTS

31 MARCH 2025

Registered Charity No: 1072052
Registered Company No: 03320039

BARLOW ANDREWS LLP
BOLTON

EARLY BREAK

CONTENTS

	PAGE
Report of the Trustees/Directors	**1 – 8**
Independent Auditors' Report	**9 – 11**
Statement of Financial Activities	**12**
Balance Sheet	**13**
Statement of Cash Flows	**14**
Notes to the Accounts	**15 – 32**

REPORT OF THE TRUSTEES/DIRECTORS

The trustees present their annual report and the financial statements for the year ended 31 March 2025.

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 charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Reference and administrative information

Trustees/Directors	Tracy Hill (Chair of Trustees) Lydia Edgar Stephen Marley Louise Sell Karen Whitehead (Resigned 12 March 2025) Howard Millington Janice Allen Ling Lee (Appointed 12 March 2025)
Chief Executive and Company Secretary	Vicky Maloney
Registered Office and Operational Address	2nd Floor 5-10 Castle Buildings Market Place Bury
Auditors	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank plc 17 Bank Street Rawtenstall Rossendale Lancashire
Solicitors	Shakespeare Martineau CUBO 38 Carver St Sheffield S14FS

Structure, governance and management

Governing document

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997. As such it has no share capital and, in the event of the charity being wound up, the members are required to contribute a sum not exceeding £10. The company was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association.

The registered charity number is 1072052. The registered company number is 03320039.

Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, are as listed on page 1. As the company is limited by guarantee, the trustees have no share capital interests. In the event of a winding up of the company they would be expected to contribute a maximum of £10 each.

The trustees give their time freely and none received any remuneration or benefits during the year.

Trustee recruitment, appointment, induction and training

The trustees are known as members of the Trustee Board or Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The trustees demonstrate a range of experience and skills. The charity is keen to recruit more trustees, and each member of the Board have s a responsibility to explore recruitment possibilities. Trustees are invited and encouraged to shadow workers and attend training and to familiarise themselves with the charity and the context within which it operates. In addition, specifically focused meetings/training events occur throughout the year on: the roles and responsibilities of trustees; the main documents which set out the operational framework for the charity, including the Memorandum and Articles; resourcing and the current financial position as set out in the latest published accounts and internal business planning.

The Board has a mix of audits presented to them within Board meetings demonstrating the Clinical governance work and risk management within the organisation including specifically the NCVO legal checklist for Boards ensuring duties of both the Board and organisation are met timely and robustly for organisational functioning.

We have reviewed our trustee induction to further build on a welcoming experience for new Trustees. This is further underpinned by our commitment at all levels of the organisation to be trauma informed in who we are and all we do. Trustees have access to internal policies and can support working groups within the organisation on Governance matters.

Activity

In 2024 the service celebrated 30 years of operation across Greater Manchester and Blackburn with Darwen. Staff supported to raise £30 for 30 years with individual challenges and we were able to offer a staff benefit of staff taking their birthday off as a themed support to the birthday year. We bought our first building as an asset for future legacy.

The service continues to deliver beyond the brief with Senior Leadership supporting the broader system leadership required across the health and social care systems alongside our interdependent partners. This includes Chairing of the NWYPFSUP, (North West Young People and Families Substance Use Partnership, impacting across GM and beyond) and leadership in the MHLG (GM Mental Health Leadership Group) supporting direction into where our work is affected in our Emotional and Well Being work. We continue to champion the VCSE sector as a whole offering system leadership and supporting our statutory partners with local and regional strategic ambition.

The ability to offer high standards that are rooted in co-produced child and family focussed offers is critical to the strength and reputation of the service. We are further turning attention to upskilling of our full leadership team and ensuring a culture rooted in our values and expected behaviours and This is further underpinned though a robust clinical governance framework and a commitment to external scrutiny and quality assurance of our offer. Our business plan is due to relaunch in 2025, so we have been exploring the strengths, pressures and areas for development for the organisation going forward. We continue to hold our links with university colleagues and support research that impacts on our areas of specialism, this has included a national Ketamine conference taking place in November 2024

Business Plan

The current business plan for Early Break ends in March 2025. The plan had responded to the emerging from the Covid pandemic and a political move in Brexit at a MACRO level and contextually movement in the health and social care field as funding across our co dependant partners remained challenged. We are looking forward to consulting with staff and wider stakeholders as we form the new business plan for service.

Public service reform is ongoing as the New Government beds in and makes the changes across the system already we are aware of the proposed new Employment laws and how these need to be implemented across the workforce as they pass through Parliament.
Early Break continues to operate with an increasing number of partners across the health and social care system sharing expertise reciprocal training and sequenced offers. This includes our subcontracted and contracted arrangements as well as pathways and operating offers that, in combination with like-minded partner agencies, mean the best offer for our children and their families. Detailed locality operational plans are developed for each operational geographical area taking into consideration the presenting needs of each locality but remaining consistent with the organisational direction set out in our Business Plan.

With a general election that changed the political landscape in July 2024 the year has almost been a strange status quo of waiting to see that reforms the new government would propose and follow through on. This was running concurrently on the new ICB arrangements bedding in across GM and localities an in the Lancashire unitary area of Blackburn with Darwen. There remained a steadying of the OHID (Office for Health Improvement Disparities) funding in substance work but the hope for 2025-26 is for the merging of this funding into mainstream contacts to support workforce stability and planning for services to build on the From Harm to Hope legacy. Much can be felt the same for our emotional wellbeing and mental health offer as the movement in ICB to look at streamlining budgets and performance scrutiny increases. We as always don't shy away from this and welcome the support from our commissioning colleagues in their unenviable positions, but once again we hold our nerve before we can plan post March 2026.

Risk Management

Early Break has an ongoing mature risk register to manage the risk for the charity, the key features of which are outlined below and are reviewed on a bi-monthly basis by the senior leadership group. They are reported on in varying formats bi-monthly to the full board. The risks are reflective of the political and operational context to our work and are reviewed aligned to our business plan. They will be fully refreshed at a strategic level in the developments for our new Business plan for 2025 onwards. Staff and board members are, as always, to be commended in their flexibility, tenacity, child centredness and "can do" in offering our services, holding steadfast to our values of Compassion, Trustworthiness, Accountability, Fairness, Collaboration and Innovation.

Risks identified and managed are:

1. Short-term funding cannot be renewed, core funding will be depleted, and new sources cannot be found and/or there are cuts to statutory funds, increasing competition and forcing Early Break to downsize/make redundancies and lose capacity.

Mitigation

We continue to maintain good relationships; deliver our targets and outcomes and report to SMART principles with all our current commissioners/donors/funders this should support renewed contracts and potential for mainstreaming of current non-recurrent funding. Our business plan covers three key areas of family work, substance use, and mental health ensure no over reliance on one current area of activity monthly management accounts for budget tracking and relationships with commissioners to be able to forecast and support horizon scanning in finance.

2. Our service standards do not meet our own or local, regional and national expectations, e.g. poor feedback from service users, indicating poor outcomes for young people and their families, increasing risks for contracts/funding and a negative impact on our reputation.

Mitigation

We have confidence and a strong track record in delivering high service standards with increased scrutiny. This is rooted in strong performance management at every level of service and a high challenge/high support culture within our workforce. Demand has increased year on year, and resourcing/ funding has not kept up with this in some areas, leading to increases in waiting times and higher threshold case work, particularly in our emotional wellbeing offer. We are mitigating this by making the case to funders for the need to increase resources, implementing our audit review cycle to improve our internal systems and building on "lived experience" and service user voice at every level. We have ensured our audit cycle and sharing this with our board demonstrates the scrutiny required to know our strengths and areas for improvement.

3. The charity is unable to respond to and influence the changing external political, funding and health and social care environment.

Mitigation

The current senior leaders have a recognised strategic presence and are well networked locally, through LA level and GM structures and through focussed national arenas. In our board assessment and training, we will continue to look at their role and terms of reference and ensure that they contribute to this agenda as ambassadors and networkers. Early Break endeavours to ensure the voice of the child in appropriate forums, as outlined in our service user policy and the named opportunities for this. Senior leaders have taken up roles across GM, raising opportunity to influence in ICB mental health, complex safeguarding and violence reduction work.

4. We do not have sufficient financial arrangements, processes, protocols and infrastructure in place to ensure the smooth running of the charity, avoid fraud and meet the requirements of the Charity Commission.

Mitigation

We continue to have a robust annual, external financial audit which highlights concerns and areas for improvement, which are signed off by the board and monitored. We have external management accounts reviewed by SLT and have reviewed and embedded the charity commission financial control checklist and finance manual in our practice, reviewed year on year. Finance is systematically reported and shared with the Board, allowing for planning at all levels. The charity has reviewed its processes in line with the internal audit process agreed in clinical governance. We are working to embed Formstack as a further way to create efficiency in tech and our digital strategy that support our financial processes alongside HR and client facing activity.

Internal processes and segregation of duties support avoidance of fraud as well as the commitment to cyber essentials plus in our digital processing. Robust processes and continued segregation of duties.

Increased cyber security to support against fraud and increased insurance to that affect.

5. Association with high level safeguarding and/or serious untoward incidents.

Mitigation

Early Break has externally audited safeguarding/child protection/SUI policies and protocols in place and all staff are fully inducted and trained in these areas. All staff complete enhanced DBS checks which are renewed regularly. We have an experienced SLT, including a designated safeguarding role and appropriate trained deputies. An escalation process is embedded in practice and a risk and review cycle, and dissemination of learning procedure is in place. We have an appointed H&S lead and oversight of a risk assessment culture. The service continues to complete a Section 11 audit annually. Additional to this are external audits from LCO arrangements and internal audits on casework and embedding of a trauma informed approach throughout the organisation. Competency and rigorous case review process support staff identification and responsiveness to safeguarding ensuring we are confident that works do the right thing a in timely and ethical model.

Staff have also had training in attending coroners court and we plan to embed weapon enabled crime policies to support our VRU work. We have a robust business continuity plan in place and hold an SLT oversight of untoward incidents/near misses with learning shared throughout the organisation ongoing in a range of meeting structures and comms.

6. Adverse media impacting negatively on Early Break reputation.

Mitigation

Early Break carefully considers any engagement with the media, as outlined in our robust social media policy with clear delineation on contacts. We have internal sign off on all press releases and monitor our social media accounts underpinned by policy and governance. Staffing and external contracts and workforce conduct are outlined in relevant policies. The service has reviewed its social media role and associated personnel in the coming year, so we are vocal in celebrating our work and managing effectively any attempts to derive salacious enquiry on the lives of our clients.

Additionally, to this we head to our 30th year as a charity in 2024 and as such embedding a new marketing and comms lead in the coming year will support our media relationships ongoing. Ongoing consideration of engagement with media external to the organisation and policy review in place attached to this. Policy as part of induction in place.
Skilled SLT in working with media and strong internal social media group outlaying messages associated to service business.

Platform of work in conferences and national groups planned to ensure profile of work.

7. Breaches in data protection and Information Governance regulation, impacting on service reputation and safety of young people.

Mitigation

We continue to have exemplary information governance and data protection policies and procedures in place, in line with ICO and NHS contract criteria. All staff have received and continue to receive ongoing training. Data specific audits are embedded, including cyber fraud and GDPR practice. The service has a named data controller. As always, our focus will be on keeping children and families safe and thriving, focusing on prevention where we can, to support the reduction of presentation in expensive arenas of public sector offers. We have recognized the threat of cyber fraud and have completed the process for cyber essential plus. We undertake a mix of data impact assessments on our work streams to ensure we are meeting the requirements of need and shared data demands. Additional insurance now in place with cyber essentials is embedded across service ensuring that we are fully supported through any cyber-attacks. This has been tested and reported on internally.

Processes tested through an external agency and report given with action plans action. Ongoing audits regarding consent arrangements and GDPR visited with staff on a regular basis.

Objectives and activities

5. The Charity's objects are specifically restricted to the following: -

5.1 The relief of sickness and the preservation of good health of young people who use legal and illegal drugs by the provision of counselling, support and treatment services for such persons and their families.

5.2 To advance research into the use of substances by young people and to disseminate the results of such research.

5.3 To advance the education of the public, in particular young substance users and misusers and the professionals and organisations who come into contact with such persons, by providing appropriate training, advice and consultancy services and information and resources.

5.4 To promote the physical and mental health and wellbeing of young people and their families in particular but not exclusively by providing advice and information and raising awareness.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do. The Memo and Arts will undergo a full refresh in the coming year

Review by the Chair of Trustees of developments, activities and achievements and of future prospects and plans

I am proud to remain as Chair of Early Break and alongside our Senior Leadership Team we have had to skilfully navigate the financial and system challenges to ensure we have been able to provide high standard services to our young people and families. But we are clearly holding our nerve in an unsettled landscape for the voluntary sector, albeit where our work is often to deliver services alongside our statutory colleagues who in turn are feeling the pinch in Local Authority and NHS budgets. Across England alone, the predicted funding gap for 2025/26 is £3.4bn, which will have risen to £6.9bn by 2026/27.

We have continually sought to support with low cost / no cost benefits for our staff to steady the workforce in Early Break and allowing for financial increments in the last year had supported this.

The service is now moving on a deeper understanding of our digital strategy and our relationship with AI and new and improved socials and website for our digital connectivity with all stakeholders.

We continue to see the embedding of the Dame Carol Black review on substances in the recommendations set out in “From Harm to Hope”. However, we look to a future where the increased funding can be mainstreamed to address the need and work on the national targets to address Drug Related Deaths at all points. This is increasingly challenging as new and emerging drugs are being understood and responded to across the workforce.

Our strengthened induction and increasing growth of developmental roles has supported career paths for new staff at a pace that is right for them and most importantly the young people we serve. We have further strengthened links with Manchester Metropolitan University and are looking to increase this as they develop their foundation degree in substance work – a positive time to be in the drug and alcohol field.

Across our family workstreams the emerging family hubs and family safeguarding models are now more firmly established and our strategic and operational work is to embed substance work in these settings, and we are pleased that substance misuse is a recognised dynamic within this work as good testament to system leadership internal and external to Early Break. We look to support the number of people in treatment with our work in this by contributing to the adult statistics set within and supporting workforce development in whole family approaches where substance use is an issue. We are grateful for some opportunities to pilot two new ways of working with a parenting support role pilot in Trafford and a role based in an inpatient setting that explores co-occurring conditions and learning in this practice. It is our belief that co-occurring conditions is and should be a key focus across our internal working practice and that we are ready to support the system change to work with those who struggle in navigating current services.

Quality Assurance is strong in service, with a robust policy and statement of practice cycle review process and ample opportunity for staff training and voice to be heard

Our Emotional Health and Well Being reputation for delivery has strengthened across Greater Manchester as our work in these areas has grown with a mix of ICB and NHS contracts supporting the wider MH systems.

Our board remains consistent and within meetings we have ongoing space for special focussed time and business planning as well as mix of presentations on service activity, service user voice and the ongoing opportunity for board members to undertake service visits and training. It is our intention to expand our board through a planned recruitment process to support in increased skill set and succession planning within this aspect of Early Break. As ever we are grateful for the ongoing wisdom and support of our excellent board members

Senior Leadership have monthly internal finance/HR meetings, during which we scrutinise figures and budgets to track the "bottom line". We are confident in our processes, and we have in a commitment to best practice reviewed the financial systems in line with the Charity Commission guidance. We continue to have overall high levels of staff retention and low sickness rates but do not to take a complacent stance on this.

Year on year we have undertaken specific business planning for our areas of delivery that are held by our operational managers. These in turn speak to our business plans and reflect local and themed work. They are reviewed and worked to in locality meetings and are understood by all workforce in their practice to support thinking, we have included our consideration of risk for Early Break in this report.

Over the past 12 months leadership capacity across service has increased to support our front facing workforce with more investment in the team leader level, which has created much needed additional capacity for operational and senior managers. To underpin this there have been an ongoing mix of leadership training days focussing on culture, social value, tendering and support in HR processes reflecting our policy and internal leadership and management framework. We remain proud and ever impressed by the commitment of our leadership group to do the "right thing" for our young people and families.

Financial review and reserves policy

Income and expenditure:

Income increased by £280,372. There was an increase in expenditure of £719,678 on charitable activities.

Funds and reserves:

- Reserves increased for a seventh consecutive year. Unrestricted funds at the year-end amounted to £1,494,234 (2024: £1,183,969).
- Free reserves at the year-end amounted to £865,183 (2024: £855,776).

It is our belief that our reserves policy remains appropriate to the organisational context and the broad Charity Commission guidance issued in January 2016, Document Charity Reserves: Building Resilience, which stresses there is "no single level, or even a range of, reserves that is right for all charities". This will of course be subject to annual review and consideration to our reinvestment back into the charity. Our free reserves balance at year end, as stated above, represents around 2 months of annual expenditure on charitable activities at current levels.

Responsibilities of the trustees

Company law requires the directors of the charity (namely the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming and outgoing resources for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make proper judgements and estimates that are reasonable and prudent.
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

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

Further, the trustees are responsible for preparing their trustees' report which should disclose the legal and administrative details of the charity and contain a narrative report explaining the organisation's objects, a review of the development, activities and achievements of the charity during the period and of its financial performance and position.

Preparation of the accounts

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution for the reappointment of Barlow Andrews LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Approval of the Trustees' Report

This report was approved by the trustees on 9 October 2025 and is signed on its behalf by:



Tracy Hill
Trustee

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EARLY BREAK

Opinion

We have audited the financial statements of Early Break for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 March 2025 and of its incoming resources and application of resources 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 Companies Act 2006.

Basis of 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 financial statements 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 financial statements 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 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 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.

Opinion 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 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.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of Early Break for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

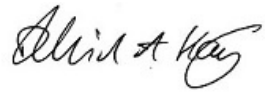
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect that those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 members as a body, for our audit work, for this report, or for the opinion we have formed.



David Kay FCA (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP

Accountants and Statutory Auditors
Carlyle House, 78 Chorley New Road, Bolton
9 October 2025

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2025

	Notes	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total Funds £	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total Funds £
Income:							
Investment income		6,267	-	6,267	4,065	-	4,065
Income from charitable activities							
Treatment and intervention and outreach work	3	9,719	5,212,389	5,222,108	20,321	4,923,617	4,943,938
Total income		15,986	5,212,389	5,228,375	24,386	4,923,617	4,948,003
Expenditure on:							
Charitable activities	4	504,401	4,652,063	5,156,464	258,146	4,178,640	4,436,786
Total expenditure		504,401	4,652,063	5,156,464	258,146	4,178,640	4,436,786
Net income/(expenditure) for the year	5	(488,415)	560,326	71,911	(233,760)	744,977	511,217
Transfers between funds	18	798,680	(798,680)	-	593,797	(593,797)	-
Net movement in funds		310,265	(238,354)	71,911	360,037	151,180	511,217
Funds balances brought forward		1,183,969	939,414	2,123,383	823,932	788,234	1,612,166
Funds balances carried forward	18	1,494,234	701,060	2,195,294	1,183,969	939,414	2,123,383

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses recognised in the year. All of the charity's activities are classed as continuing.

EARLY BREAK

BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Fixed assets			
Intangible assets	10	-	-
Tangible assets	11	640,681	270,046
		640,681	270,046
Current assets			
Debtors	12	444,889	681,688
Cash at bank and in hand		1,599,430	1,605,778
		2,044,319	2,287,466
Creditors: amounts falling due within one year	13	(366,115)	(301,363)
Net current assets		1,678,204	1,986,103
Creditors: amounts falling due after more than one year	14	(123,591)	(132,766)
Net assets		2,195,294	2,123,383
Funds			
Unrestricted funds	18	1,494,234	1,183,969
Restricted funds	18	701,060	939,414
Total funds		2,195,294	2,123,383

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved by the board on 9 October 2025 and signed on its behalf by:

Tracy Hill
Trustee

Company registration number: 03320039

EARLY BREAK

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2025

	Notes	2025	2024
		£	£
Net cash generated from operating activities	17	402,189	940,053
Investing activities			
Purchase of fixed assets		(406,460)	(265,430)
Investment income		6,267	4,065
Financing activities			
Repayment of bank loans		(8,344)	-
(Decrease)/increase in cash and cash equivalents in the year		(6,348)	678,688
Cash and cash equivalents brought forward		1,605,778	927,090
Cash and cash equivalents carried forward		1,599,430	1,605,778

1. Accounting policies

Charity information

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997 in England and Wales. The registered office is 2nd Floor 5-10 Castle Buildings, Market Place, Bury.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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 charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Preparation of the accounts on a going concern basis

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

1.4 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably.

Revenue grants, including both restricted and unrestricted funding, are included in the year in which they are receivable. If the performance obligation has not been met they are deferred accordingly.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

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

1.5 **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services, including grants administration. The support costs associated with delivery of these activities and services is also included.

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

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities. They are allocated to the activity cost categories on bases consistent with the use of the resources, as set out in note 4.

1.6 **Transfers**

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees as explained in note 18.

1.7 **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on tangible fixed assets, purchased from unrestricted funds, at rates calculated to write off the cost of each asset over its estimated useful life, taking into account estimated residual value, as follows:

Motor vehicles	-	20% on cost per annum
Buildings and improvements	-	2% on cost per annum
Fixtures, fittings and equipment	-	25% reducing balance or 33% straight line per annum

Any tangible fixed assets purchased using restricted funds are depreciated over the length of the grant period.

1.8 **Intangible fixed assets**

Intangible fixed assets comprise of application software and database software developed externally. The application software is defined as having a finite useful life and the costs are to be amortised on a straight line basis over the estimated useful life of 5 years, beginning when the development is complete, and the app is in use. The database software and redesign of the website are amortised at 33.33% as the charity believes this best represents the useful lives of the assets.

Intangible fixed assets are reviewed for impairment whenever there is an indication that the carrying value may be impaired. They are recognised at cost less accumulated amortisation and accumulated impairment losses.

1.9 **Pensions**

The company operates a defined contribution scheme for its employees administered by Aegon. The assets of the scheme are held separately from those of the charity. The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10 **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 **Operating leases**

Operating lease rentals, including property rents, are charged to the Statement of Financial Activities in the period to which they relate.

1.12 **Debtors**

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

1.13 **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.14 **Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income included in the year in creditors or received into the bank, but which relates to a subsequent period, such as a grant where the performance obligation has not been met, is recognised in the Statement of Financial Activities of that period.

1.15 **Financial instruments**

The charity 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 charity's balance sheet when the charity 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 and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been

affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, which include trade and other creditors, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as receivable within one year are not amortised.

Derecognition of financial liabilities

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

2. Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income from charitable activities	2025 Unrestricted £	2025 Restricted £	2025 Total £	2024 Total £
Treatment, intervention & outreach work				
Rochdale DAAT	-	349,000	349,000	349,559
Bury DAAT	-	226,617	216,617	196,217
Bereavement Counselling	-	136,370	136,370	84,479
Bury Outreach	-	-	-	12,300
Bolton, Salford and Trafford	-	556,357	556,357	556,358
Streetwise	-	51,487	51,487	40,805
Bury Family Safeguarding Partnership	-	96,000	96,000	60,083
ICB Bury	-	178,859	178,859	177,434
GM Housing First	-	118,701	118,701	124,622
Mentally Healthy Schools Bury	-	186,144	186,144	179,158
Mentally Healthy Schools Rochdale	-	48,192	48,192	46,364
Bury Vaping	-	10,000	10,000	10,000
The Getting Helpline	-	170,863	170,863	169,678
Early Help Hub Bury	-	-	-	150,000
ICB Streetwise	-	91,345	91,345	90,620
Oldham	-	450,000	450,000	534,215
BBST PP OHID	-	164,000	164,002	164,002
Cardinal Langley	-	12,699	12,699	12,446
CCG Bury (Mindfulness)	-	-	-	42,690
Junction 17	-	37,091	37,091	12,364
Ingeus	-	-	-	47,139
Rochdale CCG (Closing The Gap)	-	108,253	108,253	106,315
Rochdale VRU	-	-	-	48,003
OHID Bolton, Salford and Trafford	-	80,000	80,000	38,683
Thrive Rochdale	-	93,402	93,402	90,615
VCSE Navigator	-	259,548	259,548	258,000
Blackburn with Darwen	-	301,877	301,877	322,271
Pathfinder	-	217,180	217,180	212,257
Oldham CSC	-	149,000	149,000	149,001
Oldham VRU	-	32,000	32,000	32,002
Salford VRU	-	-	-	29,002
Bury VRU	-	26,820	26,820	19,054
Salford Vaping	-	-	-	9,999
Targeted Work Trafford	-	30,000	30,000	39,998
Turnaround Rochdale	-	-	-	10,000
Orbish	-	17,353	17,353	17,352
OHID Bury	-	41,000	41,000	25,270
OHID Rochdale	-	297,454	297,454	141,959
OHID B&D	-	126,467	126,467	145,308
OHID Oldham	-	84,000	84,000	42,000

3. Income from charitable activities (Continued)	2025 Unrestricted £	2025 Restricted £	2025 Total £	2024 Total £
Radcliffe Rotary Schools	-	-	-	750
Salford Complex Safeguarding	-	58,562	58,562	9,747
Aris	-	-	-	5,000
Rend	-	10,456	10,456	25,000
Resources GMMH	-	27,155	27,155	65,998
Sarah J Truman	-	-	-	19,500
GMMH	-	8,280	8,280	-
OHID Bolton Public Health	-	34,162	34,162	-
Pennine Care Investment	-	183,678	183,678	-
Rochdale Turning Point	-	31,500	31,500	-
Safezones Bury and Rochdale	-	95,517	95,517	-
VAS Trafford	-	25,000	25,000	-
Miscellaneous grants, donations and income	9,719	-	9,719	20,321
	9,719	5,212,389	5,222,108	4,943,938

4. Expenditure on charitable activities

	Basis of allocation	Charitable activities £	Governance costs £	2025 Total funds £	2024 Total funds £
Costs directly allocated to activities					
Staff costs	Direct	3,354,614	-	3,354,614	2,788,925
Pension costs	Direct	175,705	-	175,705	139,803
Bad debts	Direct	-	-	-	4,368
Hygiene and office cleaners	Direct	32,201	-	32,201	18,184
Consultancy and advice	Direct	-	-	-	293
Promotion and advertising	Direct	7,076	-	7,076	9,618
Supervision	Direct	49,728	-	49,728	38,538
Training provision	Direct	45,115	-	45,115	12,062
Utilities	Direct	45,615	-	45,615	37,821
Travel expenses	Direct	60,810	-	60,810	57,031
Doctor and medical fees	Direct	89	-	89	650
Printing, postage and stationery	Direct	39,673	-	39,673	50,055
Sundry running expenses	Direct	65,408	-	65,408	51,216
Health and safety	Direct	5,675	-	5,675	5,822
Property repairs and alterations	Direct	25,507	-	25,507	20,989
Telephone, internet and IT costs	Direct	89,219	-	89,219	80,391
Project work	Direct	645,704	-	645,704	666,320
Depreciation	Direct	35,825	-	35,825	24,443
Legal and professional fees	Direct	19,510	-	19,510	25,406
Mortgage Interest	Direct	12,567	-	12,567	1,259
		4,710,041	-	4,710,041	4,033,194
Support costs allocated to activities					
Staff costs	Staff time	135,628	8,721	144,349	138,901
Pension costs	Staff time	7,343	466	7,809	7,533
Rent and rates	Floor area	113,821	-	113,821	107,571
Insurance	Floor area	40,687	-	40,687	26,095
Telephone, internet and IT costs	Staff time	84,162	-	84,162	78,226
Accountancy and audit fees	Direct	39,801	15,794	55,595	45,266
		421,442	24,981	446,423	403,592
		5,131,478	24,981	5,156,464	4,436,786

5. Net income

This is stated after charging:	2025 £	2024 £
Depreciation	35,825	24,443
Auditors' remuneration:		
Audit fees	15,794	10,560
Operating leases – land and buildings	113,821	107,571

6. Staff costs and numbers

Staff costs were as follows:	2025 £	2024 £
Salaries and wages	3,206,544	2,690,282
Social security costs	292,419	237,544
Pension contributions	183,514	147,336
	3,682,477	3,075,162

1 employee received emoluments between £80,001 and £90,000 during the year (2024: 0).

3 employees received emoluments between £60,001 and £70,000 during the year (2024: 1).

The total employee benefits of the key management personnel of the charity were £294,435 (2024: £272,702).

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

	2025	2024
Management	4	4
Treatment, intervention, and outreach	113	104
Administration and support	2	2
	119	110

7. Pension costs

The charity operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £183,514 (2024: £147,336).

8. Trustees

The trustees have not received any remuneration or benefits or reimbursement of expenses during the year.

9. Related party transactions

No related party transactions have taken place during the year (2024: none).

10. Intangible fixed assets	Software	Website	Total
	£	£	£
Cost			
At 1 April 2024	26,995	7,250	34,245
Additions	-	-	-
At 31 March 2025	26,995	7,250	34,245
Amortisation			
At 1 April 2024	26,995	7,250	34,245
Charge for the year	-	-	-
At 31 March 2025	26,995	7,250	34,245
Net book value			
At 31 March 2025	-	-	-
At 31 March 2024	-	-	-

11. Tangible fixed assets	Fixtures fittings and equipment	Motor vehicles	Buildings and improvements	Total
	£	£	£	£
Cost				
At 1 April 2024	151,288	2,000	227,535	380,823
Additions	87,530	-	318,930	406,460
At 31 March 2025	238,818	2,000	546,465	787,283
Depreciation				
At 1 April 2024	108,028	2,000	749	110,777
Charge for the year	27,281	-	8,544	35,825
At 31 March 2025	135,309	2,000	9,293	146,602
Net book value				
At 31 March 2025	103,509	-	537,172	640,681
At 31 March 2024	43,260	-	226,786	270,046

12. Debtors

	2025 £	2024 £
Trade debtors	407,040	617,653
Other debtors	37,849	64,035
	444,889	681,688

13. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	103,149	106,060
Taxation and social security	67,443	63,849
Other creditors and accruals	80,291	62,262
Bank loans	10,755	9,925
Deferred income	104,477	59,267
	366,115	301,363

Deferred income represents income received in the year for specific expenditure which partly, or wholly, falls in a later period. The amount deferred at year end equates to the portion remaining to be spent at that point.

14. Creditors: amounts falling due after more than one year

	2025 £	2024 £
Bank loans	123,591	132,766
	123,591	132,766

Bank loans is made up of a loan secured by fixed charges over the tangible property.

15. Financial instruments

	2025 £	2024 £
Carrying amount of financial assets		
Equity instruments measured at cost less impairment, comprising cash at bank and in hand, trade and other debtors and accrued income	2,033,044	2,241,782

	2025 £	2024 £
Carrying amount of financial liabilities		
Equity instruments measured at cost less impairment, comprising creditors per notes 13 and 14, but excluding deferred income, taxation and social security	317,786	311,013

16. Analysis of net assets between funds

	Unrestricted funds £	Restricted Funds £	Total £
Fund balances at 31 March 2025 are represented by:			
Tangible assets	629,131	11,550	640,681
Net current assets	988,694	689,510	1,678,204
Non-current liabilities	(123,591)	-	(123,591)
	1,494,234	701,060	2,195,294
Fund balances at 31 March 2024 were represented by:			
Tangible assets	254,853	15,193	270,046
Net current assets	1,061,882	924,221	1,986,103
Non-current liabilities	(132,766)	-	(132,766)
	1,183,969	939,414	2,123,383

17. Net cash generated from operations

	2025 £	2024 £
Net movement in funds for the year	71,911	511,217
Adjustments for:		
Depreciation charged	35,825	24,443
Investment income received	(6,267)	(4,065)
Movements in working capital:		
Decrease in debtors	236,799	640,616
Increase/(decrease) in creditors	63,921	(232,158)
Net cash generated	402,189	940,053

18a. Movements in funds for the year

	Balance 01.04.24	Income	Expenditure	Transfers	Balance 31.03.25
Restricted funds	**£**	**£**	**£**	**£**	**£**
Rochdale DAAT	33,062	349,000	(316,847)	(50,506)	14,709
Bury DAAT	-	226,617	(172,699)	(53,918)	-
Bolton, Salford and Trafford	94,522	556,357	(520,054)	(101,829)	28,996
Bury CCG (Mindfulness)	8,868	-	-	(8,868)	-
Bereavement Counselling	8,066	136,370	(92,224)	(22,895)	29,317
Bury Outreach	14,866	-	(16,463)	5,000	3,403
Rochdale Outreach	3,363	-	(2,803)	3,794	4,354
Salford Outreach	2,901	-	-	-	2,901
Mentally Healthy Schools Bury	80,723	186,144	(199,892)	(22,792)	44,183
The Getting Helpline	38,280	170,863	(118,497)	(18,284)	72,362
Trafford Outreach	5,798	-	(995)	10,000	14,803
Oldham	-	450,000	(401,828)	(48,172)	-
BBST OHID	148,430	244,000	(300,439)	(32,350)	59,641
Blackburn with Darwen	44,028	301,877	(309,330)	(36,575)	-
Cardinal Langley	9,576	12,699	(14,832)	-	7,443
Rochdale CCG (Closing the Gap)	18,414	108,253	(90,136)	(17,242)	19,289
Rochdale VRU	38,927	-	(30,104)	(8,823)	-
THRIVE ROCHDALE	72,622	93,402	(128,340)	(22,502)	15,182
Streetwise	303	51,487	(44,414)	(5,639)	1,737
Oldham VRU	24,458	32,000	(52,529)	(3,929)	-
Heywood VRU	6,049	-	(2,255)	(3,794)	-
OHID Rochdale	42,999	297,454	(250,216)	(54,750)	35,487
OHID B&D	70,056	126,467	(81,893)	(14,514)	100,116
OHID Oldham	35,287	84,000	(66,743)	(10,244)	42,300
Stressed Out Brain	35,211	-	(25,415)	(9,796)	-
ICB Bury	9,695	178,859	(164,178)	(24,376)	-
Rochdale – Universal Funding	9,834	91,345	(93,515)	(7,664)	-
Targeted Work Trafford	38,515	30,000	(20,800)	(10,000)	37,715
Bury Family Safeguarding	23,251	96,000	(100,469)	(18,782)	-
Salford Complex Safeguarding	7,231	58,562	(34,645)	(7,762)	23,386
Turn Around Rochdale	10,000	-	(1,623)	(8,377)	-
Junction 17	4,079	37,091	(29,165)	(8,073)	3,932
Outreach Oldham	-	-	-	5,000	5,000
Mentally Healthy Schools Rochdale	-	48,192	(32,335)	(15,857)	-
Oldham CSC	-	149,000	(140,726)	(8,274)	-
GM Housing First	-	118,701	(102,659)	(16,042)	-
Resources GMMH	-	27,155	(16,612)	-	10,543
VCSE Navigator	-	259,548	(232,127)	(27,421)	-
Bury VRU	-	26,820	(3,185)	(6,490)	17,145

18a. Movements in funds for the year

Continued	Balance 01.04.24	Income	Expenditure	Transfers	Balance 31.03.25
	£	£	£	£	£
Orbish	-	17,353	(15,214)	(2,139)	-
Pathfinder	-	217,180	(181,272)	(35,908)	-
OHID Bury	-	41,000	(38,611)	(2,389)	-
OHID Bolton	-	34,162	(27,182)	(6,980)	-
Pennine Care Investment	-	183,678	(102,713)	(39,600)	41,365
Rochdale Turning Point	-	31,500	(23,149)	(8,351)	-
REN	-	10,456	(9,573)	(883)	-
Safezones Bury and Rochdale	-	95,517	(38,115)	(10,069)	47,333
VAS Trafford	-	25,000	(5,248)	(1,335)	18,417
Strategic	-	8,280	-	(8,280)	-
Restricted funds	939,414	5,212,389	(4,652,063)	(798,680)	701,060
Unrestricted funds	1,183,969	15,986	(504,401)	798,680	1,494,234
Total funds	2,123,383	5,228,375	(5,156,464)	-	2,195,294

Within unrestricted funds at 31.03.25 are funds totalling £0 (2024: £60,147) which have been designated by the trustees for specific purposes (see note 19).

Transfers between restricted and unrestricted funds in notes 18a above and 18b below generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally, transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 19.

Further information about restricted funds and designated funds is provided in note 19.

18b. Movements in funds for the prior year (for comparison purposes)

	Balance 01.04.23	Income	Expenditure	Transfers	Balance 31.03.24
Restricted funds	£	£	£	£	£
Rochdale DAAT	7,284	349,559	(277,279)	(46,502)	33,062
Bury DAAT	8,265	196,217	(155,743)	(48,739)	-
Bury CCG (Mindfulness)	60,030	42,690	(88,602)	(5,250)	8,868
Bolton, Salford and Trafford	66,094	556,358	(430,351)	(97,579)	94,522
Bereavement Counselling	33,458	84,479	(95,784)	(14,087)	8,066
Bury Outreach	8,220	12,300	(5,654)	-	14,866
Anti-Bullying & Falinge Park High School	-	150,000	(147,208)	(2,792)	-
Public Health England	10,731	-	(11,100)	369	-
The Grand Trust	-	65,998	(30,787)	-	35,211
Rochdale Outreach	3,699	-	(336)	-	3,363
GM Housing First	1,133	124,622	(104,376)	(21,379)	-
Mentally Healthy Schools Bury	68,426	179,158	(142,861)	(24,000)	80,723
Mentally Healthy Schools Rochdale	15,453	46,364	(53,309)	(8,508)	-
Oldham	606	534,215	(497,439)	(37,382)	-
The Getting Helpline	1,817	169,678	(110,898)	(22,317)	38,280
Trafford Outreach	7,792	-	(1,994)	-	5,798
BBST	161,195	164,002	(159,443)	(17,324)	148,430
Blackburn with Darwen	56,259	322,271	(296,916)	(37,586)	44,028
Cardinal Langley	2,297	12,446	(5,167)	-	9,576
CCG Bury	-	177,434	(160,308)	(7,431)	9,695
Closing The Gap Group Work	4,289	-	(24)	(4,265)	-
Ingeus	11,970	47,139	(49,647)	(9,462)	-
Pathfinder	344	212,257	(180,300)	(32,301)	-
Rochdale CCG (Closing The Gap)	11,246	106,315	(84,723)	(14,424)	18,414
Rochdale – Universal Funding	-	90,620	(73,304)	(7,482)	9,834
Rochdale VRU	12,612	48,003	(21,688)	-	38,927
Salford Outreach	-	-	(2,099)	5,000	2,901
Salford Social Care	-	19,500	(23,204)	3,704	-
Thrive Rochdale	66,184	90,615	(69,820)	(14,357)	72,622
Trauma Informed	32,766	-	(31,387)	(1,379)	-
Trauma Responsive	14,953	-	(14,953)	-	-
VCSE Navigator	-	258,000	(216,688)	(41,312)	-
Vol & Comm Grant	-	38,683	(39,300)	617	-
Streetwise	9,154	40,805	(43,658)	(5,998)	303
Oldham CSC	12,729	149,001	(153,002)	(8,728)	-
Oldham VRU	32,000	32,002	(39,544)	-	24,458
Salford VRU	12,380	29,002	(33,889)	(7,493)	-
Bury VRU	2,539	19,054	(14,273)	(7,320)	-
Heywood VRU	7,731	-	(1,682)	-	6,049
Orbish	-	17,352	(15,832)	(1,520)	-
OHID Bury	7,472	25,270	(28,915)	(3,827)	-

18b. Movements in funds for the prior year (for comparison purposes)

Continued	Balance 01.04.23	Income	Expenditure	Transfers	Balance 31.03.24
	£	£	£	£	£
OHID Rochdale	12,540	141,959	(98,731)	(12,769)	42,999
OHID B&D	183	145,308	(56,639)	(18,796)	70,056
OHID Oldham	20,968	42,000	(24,970)	(2,711)	35,287
Radcliffe Rotary Schools	3,415	750	(760)	(3,405)	-
Aris	-	5,000	-	(5,000)	-
Targeted Work Trafford	-	39,998	(1,483)	-	38,515
Bury Family Safeguarding	-	60,083	(36,832)	-	23,251
Rend	-	25,000	(19,889)	(5,111)	-
Bury Vaping	-	10,000	(9,000)	(1,000)	-
Salford Vaping	-	9,999	(9,000)	(999)	-
Salford Complex Safeguarding	-	9,747	(1,407)	(1,109)	7,231
Turn Around Rochdale	-	10,000	-	-	10,000
Junction 17	-	12,364	(6,442)	(1,843)	4,079
Restricted funds	788,234	4,923,617	(4,178,640)	(593,797)	939,414
Unrestricted funds	823,932	24,386	(258,146)	593,797	1,183,969
Total funds	1,612,166	4,948,003	(4,436,786)	-	2,123,383

Within unrestricted funds at 31.03.24 are funds totalling £60,147 (2023: £60,147) which have been designated by the trustees for specific purposes (see note 18).

19. Information about restricted and designated funds

Designated funds:

The trustees have not set aside any unrestricted funds for designated future expenditure as at 31 March 2025. In the prior year £60,147 was set aside to support a variety of projects and activities, including Voice to Voice roles (£24,000) and CYB Bolton (£26,723), amongst other smaller amounts.

Restricted funds:

Rochdale and Bury DAAT - Ongoing payments in relation to our DAAT contract and various projects, such as Holding Families (family parental substance misuse focused work).

Bury CCG (Mindfulness) - For mindfulness work in Bury.

Bolton, Salford and Trafford – Contract to deliver specialist young person and families substance misuse service.

Bereavement Counselling – Bereavement and loss counselling for young people in Bury.

Bury and Rochdale Outreach – Street base outreach work with young people.

Public Health England – Holding Families Plus Project; partnership work with Rochdale Council, GMMH, One Plus One, Manchester Metropolitan University to work with families with parental alcohol misuse.

The Grand Trust – Funds towards costs incurred for the Holding Families, SIF and Henry Smith projects.

GM Housing First – To support people facing difficulties in finding and sustaining suitable accommodation.

Mentally Healthy Schools Bury and Rochdale – For dedicated workers to support mental health in the school environment.

Oldham - Delivering an integrated young person's sexual health and substance misuse service.

Salford Steer – For a dedicated worker to work alongside Salford Foundation's STEER workers to provide intervention with young people to address alcohol and drug misuse.

The Getting Helpline – To provide a telephone support line to those experiencing low level emotional/mental health difficulties.

BBST - Contract to deliver specialist young person and families substance misuse service.

Blackburn with Darwen - To deliver the young people and families treatment services as part of the all age substance misuse service in Blackburn with Darwen

CCG Bury- Emotional health and wellbeing support 1:1 to young people aged 14-16 (Streetwise) and 16- 25 (Closing the Gap).

Closing the Gap Group Work- Lets do it! Bury local authority funded group work for CYP aged 16-25.

Ingeus - Contract to support NEET and hidden NEET young people into education, training or employment.

Pathfinder- To offer solution focused support to young people around housing, maintenance of tenancies and independent living.

Rochdale CCG (Closing the Gap)- Emotional health and wellbeing 1:1 work for 16-25 years olds in Heywood, Middleton and Rochdale.

Rochdale – Universal Funding – Substance Use Worker Rochdale complex safeguarding.

Rochdale VRU – Young person worker 2 days Rochdale.

Salford Social Care - Contract to deliver specialist substance misuse work in Salford.

Thrive Rochdale- Emotional health and wellbeing support for CYP stepped down from Rochdale CAMHS (1:1).

19. Information about restricted and designated funds (continued)

Trauma Informed- Evidence based trauma-therapy delivered to those 18+ in exploring the impact of adverse traumatic experiences on mental health substance use and recovery.

Trauma Responsive- Systems development work supporting Bury and Salford VCSE groups to develop their trauma-responsiveness.

VCSE Navigator - Contract as lead provider to deliver direct and subcontracted support to young people who have revised a CAMHS intervention.

Vol & Comm Grant – One HF+ family worker 4 days Rochdale.

Trauma Informed- Evidence based trauma-therapy delivered to those 18+ in exploring the impact of adverse traumatic experiences on mental health substance use and recovery.

Trauma Responsive- Systems development work supporting Bury and Salford VCSE groups to develop their trauma-responsiveness.

VCSE Navigator - Contract as lead provider to deliver direct and subcontracted support to young people who have revised a CAMHS intervention.

Vol & Comm Grant – One HF+ family worker 4 days Rochdale.

Oldham CSC – Emotional health and wellbeing support with those young people who are looked after by Oldham local authority, providing one-to-one and group interventions with children, young people, their families and carers.

Oldham VRU – A 'Specialist Young Persons worker' to support young people with substance related issues and on the periphery or involved with violence. The work is trauma responsive and works on a continuum of need from prevention through to behaviour change.

Salford VRU – This offer is 0.6 to work with children affected by parental substance misuse and 0.2 leadership to oversee leadership across the team and support with case reviews and PDP's.

Bury VRU - Young person family worker for two days in Bury East and Moorside.

Orbish – To support the delivery and development of the sexual health services across Oldham, Rochdale and Bury by recruiting young people to ascertain services users experience to improved future service delivery.

OHID Bury/Rochdale – The funding will provide a 0.4 trainer to work centrally for training development of the workforce, a 1WTE to work with young substance users, a 1WTE to work with children affected by parental substance misuse and 1WTE to be used to provide a transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID B&D - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality. The funding will also be used to provide a 1WTE transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID Oldham - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality.

Radcliffe Rotary Schools – Fully qualified therapist within a primary school.

Aris - Early Break provide training and support to professionals mentoring young people who are exposed to criminal exploitation. Where there is a substance related need Early Break will ensure young people and their familiar receive access to the appropriate services.

Bury Family Safeguarding – Multi disciplinary team supporting families with complex dependencies

ICB Bury/Streetwise – EHWB support for young people

Oldham CSC – To provide 1:1 support and group interventions to Children Looked After and their carers; delivering on statutory Regulation 44 and Independent Visiting services in the area of Oldham.

19. Information about restricted and designated funds (continued)

Pennine Care Investment – To offer a dedicated multi-disciplinary workforce delivering the Children and Young People's emotional health and wellbeing drop-in service "RISE", alongside core CAMHS. Serving 5-17 year olds across the borough of Bury.

Safezones Bury and Rochdale – To offer crisis and de-escalation support to children, young people and families across Bury, Heywood, Middleton and Rochdale.

EARLY BREAK

England & Wales - Charity number 1072052

Accounts

EARLY BREAK

FINANCIAL STATEMENTS

31 MARCH 2024

Registered Charity No: 1072052
Registered Company No: 03320039

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

EARLY BREAK

CONTENTS

	PAGE
Report of the Trustees/Directors	**1 – 8**
Independent Auditors' Report	**9 – 11**
Statement of Financial Activities	**12**
Balance Sheet	**13**
Statement of Cash Flows	**14**
Notes to the Accounts	**15 – 33**

REPORT OF THE TRUSTEES/DIRECTORS

The trustees present their annual report and the financial statements for the year ended 31 March 2024.

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 charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Reference and administrative information

Trustees/Directors	Tracy Hill (Chair of Trustees) Lydia Edgar Stephen Marley Katharine Shethwood (resigned 18 October 2023) Louise Sell Karen Whitehead Howard Millington Karen Dolton (resigned 27 March 2024) Janice Allen
Chief Executive and Company Secretary	Vicky Maloney
Registered Office and Operational Address	Annara House 7-9 Bury Road Radcliffe Manchester
Auditors	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank plc 17 Bank Street Rawtenstall Rossendale Lancashire
Solicitors	DWF LLP Bridgewater Place Water Lane Leeds

Structure, governance and management

Governing document

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997. As such it has no share capital and, in the event of the charity being wound up, the members are required to contribute a sum not exceeding £10. The company was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association.

The registered charity number is 1072052. The registered company number is 03320039.

Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, are as listed on page 1. As the company is limited by guarantee, the trustees have no share capital interests. In the event of a winding up of the company they would be expected to contribute a maximum of £10 each.

The trustees give their time freely and none received any remuneration or benefits during the year.

Trustee recruitment, appointment, induction and training

The trustees are known as members of the Trustee Board or Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The trustees demonstrate a range of experience and skills. The charity is keen to recruit more trustees and each member of the Management Committee has a responsibility to explore recruitment possibilities. Trustees are invited and encouraged to shadow workers and attend training and to familiarise themselves with the charity and the context within which it operates. This has been underpinned through development of a Trustee Shadowing policy. In addition, specifically focused meetings/training events occur throughout the year on: the roles and responsibilities of trustees; the main documents which set out the operational framework for the charity, including the Memorandum and Articles; resourcing and the current financial position as set out in the latest published accounts and internal business planning.

The Board has been privy to a mix of audit processes of the organisation including specifically the NCVO legal checklist for Boards ensuring duties of both the Board and organisation are met timely and robustly for organisational functioning. The focus for 23-24 is in ever improving our commitment to Equality, Diversity and Inclusion and we are pleased to be working with http://www.equalityanddiversity.co.uk/ to deepen our experience and knowledge in this.

We have reviewed our trustee induction to further build on a welcoming experience for new Trustees. This is further underpinned by our commitment at all levels of the organisation to be trauma informed in who we are and all we do. This is in line with the GM commitment to being Trauma Informed https://www.trgm.co.uk/

Activity

As we head into 24-25 the service reflects on 30 years of operation now across Greater Manchester and Blackburn with Darwen. In response to this we celebrate our first purchased building in our Rochdale area embedding an asset for the service for future legacy. The commitment from staff to undertake a 30 for £30 challenge is in place where staff have pledged individually to raise a minimum £30 for our Well Being fund to support celebrations of our sustained offer.

The service continues to deliver beyond the brief with Senior Leadership supporting the broader system leadership required across the health and social care systems alongside our interdependent partners. This includes Chairing of the NWYPFSUP, (North West Young People and Families Substance Use Partnership) and leadership in the MHLG (GM Mental Health Leadership Group) supporting direction into where our work is affected and championing the VCSE.

The ability to offer high standards that are rooted in co-produced child and family focussed offers is critical to the strength of the service. This is further underpinned though a robust clinical governance framework and a commitment to external scrutiny and quality assurance of our offer.

Business Plan

The current business plan covers 2022-2025 and is in context to a volatile and unsettled political environment as we emerged out of the pandemic and the imbedding of Brexit nationally.

Public service reform is ongoing and our interdependent relationships are deeply affected with whom we build and nurture our strategic and operational relationships with. Early Break has more partners in our scope of offers than ever before. This includes our subcontracted and contracted arrangements as well as pathways and operating offers that, in combination with like-minded partner agencies, mean the best offer for our children and their families. Detailed locality operational plans are developed for each operational geographical area taking into consideration the presenting needs of each locality but remaining consistent with the organisational direction set out in our Business Plan.

With a general election and potential for the new ICB arrangements to take further shape we look to 2025 with much uncertainty, and it is key that our reserves hold steady the organisation as we focus on being at the right strategic places to influence the engagement of the sector and where opportunities for the sector can be created. We hold uncertainty on the OHID substance misuse funding and whilst we have seen the much-needed turn around in strengthening the treatment offer for young people it is a position of a future unknown for this in how we plan and develop services post 2025. The same can be said for our emotional wellbeing and mental health offer as the movement in ICB to look at streamlining budgets and performance scrutiny increases. We don't shy away from this and welcome the support from our commissioning colleagues in their unenviable positions, but again we hold our nerve before we can plan post March 2025.

Risk Management

Early Break has an ongoing risk register to manage the risk for the charity, the key features of which are outlined below and are reviewed on a bi-monthly basis by the senior leadership group. They are reported on in varying formats bi-monthly to the full board. The risks are reflective of the aforementioned, and newly reviewed for the years 2022-2025, Early Break business plan. The last year has continued to put a different mix of pressures on the organisation as we continue to navigate the financial, emotional, practical risks of cost of living, public service reform at ICB level and across an ongoing tumultuous political landscape. Staff and board are as always to be commended in their flexibility, tenacity, child centredness and "can do" in offering our services.

Risks identified and managed are:

1. Short-term funding cannot be renewed, core funding will be depleted and new sources cannot be found and/or there are cuts to statutory funds, increasing competition and forcing Early Break to downsize/make redundancies and lose capacity.

Mitigation

We continue to maintain good relationships, deliver our targets and outcomes and report to SMART principles with all our current commissioners/donors/funders this should support renewed contracts and potential for mainstreaming of current non-recurrent funding. Our business plan covers three key areas of family work, substance use and mental health ensure no over reliance on one current area of activity monthly management accounts for budget tracking and relationships with commissioners to be able to forecast and support horizon scanning in finance.

2. Our service standards do not meet our own or local, regional and national expectations, e.g. poor feedback from service users, indicating poor outcomes for young people and their families, increasing risks for contracts/funding and a negative impact on our reputation.

Mitigation

We have confidence and a strong track record in delivering high service standards with increased scrutiny. This is rooted in strong performance management at every level of service and a high challenge/high support culture within our workforce. Demand has increased year on year and resourcing/ funding has not kept up with this in some areas, leading to increases in waiting times and higher threshold case work, particularly in our emotional wellbeing offer. We are mitigating this by making the case to funders for the need to increase resources, implementing our audit review cycle to improve our internal systems and building on "lived experience" and service user voice at every level. We have ensured our audit cycle and sharing this with our board demonstrates the scrutiny required to know our strengths and areas for improvement.

3. The charity is unable to respond to and influence the changing external political, funding and health and social care environment.

Mitigation

The current senior leaders have a recognised strategic presence and are well networked locally, through LA level and GM structures and through focussed national arenas. In our board assessment and training, we will continue to look at their role and terms of reference and ensure that they contribute to this agenda as ambassadors and networkers. Early Break endeavours to ensure the voice of the child in appropriate forums, as outlined in our service user policy and the named opportunities for this. Senior leaders have taken up roles across GM, raising opportunity to influence in ICB mental health, complex safeguarding and violence reduction work.

4. We do not have sufficient financial arrangements, processes, protocols and infrastructure in place to ensure the smooth running of the charity, avoid fraud and meet the requirements of the Charity Commission.

Mitigation

We continue to have a robust annual, external financial audit which highlights concerns and areas for improvement, which are signed off by the board and monitored. We have external management accounts reviewed by SLT and have reviewed and embedded the charity commission financial control checklist and finance manual in our practice, reviewed year on year. Finance is systematically reported and shared with the Board, allowing for planning at all levels. The charity has reviewed its processes in line with the internal audit process agreed in clinical governance. We are working to embed Formstack as a further way to create efficiency in tech and our digital strategy that support our financial processes alongside HR and client facing activity.

Internal processes and segregation of duties support avoidance of fraud as well as the commitment to cyber essentials plus in our digital processing. Robust processes and continued segregation of duties.

Increased cyber security to support against fraud and increased insurance to that affect.

5. Association with high level safeguarding and/or serious untoward incidents.

Mitigation

Early Break has externally audited safeguarding/child protection/SUI policies and protocols in place and all staff are fully inducted and trained in these areas. All staff complete enhanced DBS checks which are renewed regularly. We have an experienced SLT, including a designated safeguarding role and appropriate trained deputies. An escalation process is embedded in practice and a risk and review cycle and dissemination of learning procedure is in place. We have an appointed H&S lead and oversight of a risk assessment culture. The service continues to complete a Section 11 audit annually. Additional to this are external audits from LCO arrangements and internal audits on casework and embedding of a trauma informed approach throughout the organisation. Competency and rigorous case review process support staff identification and responsiveness to safeguarding ensuring we are confident that works do the right thing a in timely and ethical model.

Staff have also had training in attending coroners court and we plan to embed weapon enabled crime policies to support our VRU work. We have a robust business continuity plan in place and hold an SLT oversight of untoward incidents/near misses with learning shared throughout the organisation ongoing in a range of meeting structures and comms.

6. Adverse media impacting negatively on Early Break reputation.

Mitigation

Early Break carefully considers any engagement with the media, as outlined in our robust social media policy with clear delineation on contacts. We have internal sign off on all press releases and monitor our social media accounts underpinned by policy and governance. Staffing and external contracts and workforce conduct are outlined in relevant policies. The service has reviewed its social media role and associated personnel in the coming year so we are vocal in celebrating our work and managing effectively any attempts to derive salacious enquiry on the lives of our clients.

Additionally, to this we head to our 30th year as a charity in 2024 and as such embedding a new marketing and comms lead in the coming year will support our media relationships ongoing. Ongoing consideration of engagement with media external to the organisation and policy review in place attached to this. Policy as part of induction in place.
Skilled SLT in working with media and strong internal social media group outlaying messages associated to service business.

Platform of work in conferences and national groups planned to ensure profile of work.

7. Breaches in data protection and Information Governance regulation, impacting on service reputation and safety of young people.

Mitigation

We continue to have exemplary information governance and data protection policies and procedures in place, in line with ICO and NHS contract criteria. All staff have received and continue to receive ongoing training. Data specific audits are embedded, including cyber fraud and GDPR practice. The service has a named data controller. As always, our focus will be in keeping children and families safe and thriving, focusing on prevention where we can, to support the reduction of presentation in expensive arenas of public sector offers. We have recognized the threat of cyber fraud and have completed the process for cyber essential plus. We undertake a mix of data impact assessments on our work streams to ensure we are meeting the requirements of need and shared data demands. Additional insurance now in place with cyber essentials embed across service ensuring that we are fully supported through any cyber-attacks. This has been tested and reported in internally.

Processes tested through an external agency and report given with action plans action. Ongoing audits regarding consent arrangements and GDPR visited with staff on a regular basis.

Objectives and activities

The charity is established to provide the relief of sickness and the preservation of good health of young people who use legal and illegal substances by the provision of counselling, support and treatment services for such persons and their families; the provision of support and advocacy services to vulnerable young people and their parents/carers;

the provision of residential care to vulnerable young people where substance misuse is a factor in creating their vulnerability; the provision of services to families whose lives are adversely affected by a parent/carer/adult family member's substance misuse; to advance research into the use of substances by young people and to disseminate the results of such research; to advance the education of the public, in particular young substance users and misusers, and the professionals and organisations who come into contact with such persons, providing appropriate training, advice and consultancy services and information and resources. To promote the physical and mental health and wellbeing of young people and their families in particular but not exclusively by providing advice and information and raising awareness.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do.

Review by the Chair of Trustees of developments, activities and achievements and of future prospects and plans

It is without doubt that Early Break has had to continually navigate and address its journey to offer support and staff welfare in the shadow of financial challenges for both our beneficiaries and workforce. We had been able to address incremental uplifts in the last year and made appropriate representation with our commissioning colleagues in how this can be addressed to stabilize and invest in a competent workforce ongoing.

The service is looking forward to deeper understanding of our digital strategy in this coming year with a focus on AI and what this means in our delivery and efficacy as an organisation and plans are in place to explore this at all levels across the organisation.

We are truly seeing the embedding of the Dame Carol Black review on substances in the recommendations set out in From "Harm to Hope". It almost feels like a renaissance period in drug and alcohol work with the embedding of targets and practice in relation to From "Harm to Hope" in our substance misuse delivery. This is an exciting time to work in; alongside academic colleagues we maintain our commitment to understand and underpin best practice as the world for our young people and families is ever changing. Early Break is securing a new and emerging workforce in its drug and alcohol work and this has been noted in national documents that recruitment to drug and alcohol service is particularly challenged due to historic disinvestment and lack of skills/experience in this field.

Our strengthened induction and increasing growth of developmental roles has supported the career paths for new staff at a pace that is right for them and most importantly the young people we serve.

Across our family workstreams the emerging family hubs and family safeguarding models are being embedded and we are pleased that substance misuse is a recognised dynamic within this work. We look to support the number of people in treatment with our work in this by contributing to the adult statistics set within and supporting workforce development in whole family approaches where substance use is an issue. Increasing offers across criminal justice are often difficult to join up and our roles developed through VRU money and through our Holding Families plus model are key to making the case for the specialised work with families who are more unlikely to present in universal or even targeted services. We are grateful for some opportunities to pilot two new ways of working with a parenting support role pilot in Trafford and a role based in an inpatient setting that explores co-occurring conditions and learning in this practice.

Quality Assurance in our family work has supported the shift in underpinning adult treatment as well as sharpening equity of offer in our children's work across this area. This builds on our national PHE funded work. Clearly lacking whole family approaches and a trauma lens to what families need has been uncovered time and time again and our commitment to offering this is unfaltering.

This last year has seen the launch of our Stressed Out Brain resource alongside funding form violence reduction work across GM. This co-produced trauma informed resource has meant over 700 interdependent colleagues have received the trauma informed training that supports work with adolescents and substance use future plans for this including developing models specific to young women and care leavers.

Our board remains consistent and within meetings we have ongoing space for special focussed time and business planning as well as mix of presentations on service activity, service user voice and the ongoing opportunity for board members to undertake service visits and training. It is our intention to expand our board through a recruitment process to support in increased skill set and succession planning within this aspect of Early Break. As ever we are grateful for the ongoing wisdom and support of our excellent board members.

We continue to have monthly internal finance/HR meetings, during which we scrutinise the figures and budgets to track the "bottom line". We are confident in our processes, and we have in a commitment to best practice reviewed the financial systems in line with the Charity Commission guidance. We continue to have high levels of staff retention and low sickness rates but do not to take a complacent stance on this. We have embedded new leave for staff wellbeing on two half days as well as opportunity for staff to take two volunteer days to support a charity of their choice and thus strengthen our work as a charitable charity. Ongoing we're looking for further low cost no cost staff benefits for our staff as well as maintaining our supervision, PDP and support processes.

Year on year we have undertaken specific business planning for our areas of delivery that are held by our operational managers. These in turn speak to our business plans and reflect local and themed work. They are reviewed and worked to in locality meetings and are understood by all workforce in their practice to support thinking, we have included our consideration of risk for Early Break in this report.

Over the past 12 months we have increased leadership capacity across service with more investment in the team leader level, which has created additional capacity for operational and senior managers. To underpin this there have been a mix of leadership training days focussing on culture, difficult conversations and support in HR processes reflecting our policy and internal leadership and management framework. We remain proud and ever impressed by the commitment of our leadership group to do the "right thing" for our young people and families.

Financial review and reserves policy

Income and expenditure:

- Income increased by £522k. This increase has come from monies from OHID, VRU's and work supporting vulnerable people in our Pathfinder and NEET projects. There was an increase in expenditure of £521k on charitable activities.
- In tracking our areas of business and financial sources in the previous year our emotional health and wellbeing income increased which offset a historic higher percentage of substance use funding in service; now with the additional OHID money this has further increased the substance misuse income, but is underpinned by a national investment to this end.

Funds and reserves:

- Reserves increased for a sixth consecutive year. Unrestricted funds at the year end amounted to £1,183,969 (2023: £823,932), of which £60,147 was designated for use on a variety of projects and activities.
- Free reserves at the year end amounted to £855,776 (2023: £734,726).

It is our belief that our reserves policy remains appropriate to the organisational context and the broad Charity Commission guidance issued in January 2016, Document Charity Reserves: Building Resilience, which stresses there is "no single level, or even a range of, reserves that is right for all charities". This will of course be subject to annual review and consideration to our reinvestment back into the charity. Our free reserves balance at year end, as stated above, represents between 2.5 and 3 months of annual expenditure on charitable activities at current rates.

Responsibilities of the trustees

Company law requires the directors of the charity (namely the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming and outgoing resources for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make proper judgements and estimates that are reasonable and prudent;
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

REPORT OF THE TRUSTEES/DIRECTORS
(continued)

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

Further, the trustees are responsible for preparing their trustees' report which should disclose the legal and administrative details of the charity and contain a narrative report explaining the organisation's objects, a review of the development, activities and achievements of the charity during the period and of its financial performance and position.

Preparation of the accounts

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution for the reappointment of Barlow Andrews LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Approval of the Trustees' Report

This report was approved by the trustees on 8 October 2024 and is signed on its behalf by:



Vicky Maloney
Chief Executive and Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EARLY BREAK

Opinion

We have audited the financial statements of Early Break for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 March 2024 and of its incoming resources and application of resources 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 Companies Act 2006.

Basis of 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 financial statements 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 financial statements 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 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 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.

Opinion 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 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.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of Early Break for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect that those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 members as a body, for our audit work, for this report, or for the opinion we have formed.

David Kay FCA (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP

Chartered Accountants and Statutory Auditors
Carlyle House, 78 Chorley New Road, Bolton
8 October 2024

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2024

	Notes	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total Funds £	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total Funds £
Income:							
Investment income		4,065	-	4,065	1,078	-	1,078
Income from charitable activities							
Treatment and intervention and outreach work	3	20,321	4,923,617	4,943,938	12,707	4,411,607	4,424,314
Total income		24,386	4,923,617	4,948,003	13,785	4,411,607	4,425,392
Expenditure on:							
Charitable activities	4	258,146	4,178,640	4,436,786	353,995	3,561,292	3,915,287
Total expenditure		258,146	4,178,640	4,436,786	353,995	3,561,292	3,915,287
Net income/(expenditure) for the year	5	(233,760)	744,977	511,217	(340,210)	850,315	510,105
Transfers between funds	17	593,797	(593,797)	-	539,713	(539,713)	-
Net movement in funds		360,037	151,180	511,217	199,503	310,602	510,105
Funds balances brought forward		823,932	788,234	1,612,166	624,429	477,632	1,102,061
Funds balances carried forward	17	1,183,969	939,414	2,123,383	823,932	788,234	1,612,166

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses recognised in the year. All of the charity's activities are classed as continuing.

BALANCE SHEET AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Fixed assets			
Intangible assets	9	-	-
Tangible assets	10	270,046	29,059
		270,046	29,059
Current assets			
Debtors	11	681,688	1,322,305
Cash at bank and in hand		1,605,778	927,090
		2,287,466	2,249,395
Creditors: amounts falling due within one year	12	301,363	666,288
Net current assets		1,986,103	1,583,107
Creditors: amounts falling due after one year	13	132,766	-
Net assets		2,123,383	1,612,166
Funds			
Unrestricted funds	17	1,183,969	823,932
Restricted funds	17	939,414	788,234
Total funds		2,123,383	1,612,166

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved by the board on 8 October 2024 and signed on its behalf by:

Tracy Hill

Tracy Hill
Trustee

Company registration number: 03320039

EARLY BREAK

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		£	£
Net cash generated from/(used in) operating activities	16	940,053	(298,916)
Investing activities			
Purchase of fixed assets		(265,430)	(5,110)
Investment income		4,065	1,078
Increase/(Decrease) in cash and cash equivalents in the year		678,688	(302,948)
Cash and cash equivalents brought forward		927,090	1,230,038
Cash and cash equivalents carried forward		1,605,778	927,090

1. Accounting policies

Charity information

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997 in England and Wales. The registered office is Annara House, 7-9 Bury Road, Radcliffe.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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 charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Preparation of the accounts on a going concern basis

At the time of approving the financial statements, the trustees have a reasonable expectation that with these measures in place the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

1.4 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably.

Revenue grants, including both restricted and unrestricted funding, are included in the year in which they are receivable. If they relate to a specified future period they are deferred accordingly.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

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

1.5 **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services, including grants administration. The support costs associated with delivery of these activities and services is also included.

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

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities. They are allocated to the activity cost categories on bases consistent with the use of the resources, as set out in note 4.

1.6 **Transfers**

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees as explained in note 17.

1.7 **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on tangible fixed assets, purchased from unrestricted funds, at rates calculated to write off the cost of each asset over its estimated useful life, taking into account estimated residual value, as follows:

Motor vehicles	-	20% on cost per annum
Buildings and improvements	-	2% on cost per annum
Fixtures, fittings and equipment	-	$33^{1}/_{3}$ % on cost per annum

Any tangible fixed assets purchased using restricted funds are depreciated over the length of the grant period.

1.8 **Intangible fixed assets**

Intangible fixed assets comprise of application software and database software developed externally. The application software is defined as having a finite useful life and the costs are to be amortised on a straight line basis over the estimated useful life of 5 years, beginning when the development is complete, and the app is in use. The database software and redesign of the website are being amortised at 33.33% as the charity believes this best represents the useful lives of the assets.

Intangible fixed assets are reviewed for impairment whenever there is an indication that the carrying value may be impaired. They are recognised at cost less accumulated amortisation and accumulated impairment losses.

1.9 **Pensions**

The company operates a defined contribution scheme for its employees administered by Aegon. The assets of the scheme are held separately from those of the charity. The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10 **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 **Operating leases**

Operating lease rentals, including property rents, are charged to the Statement of Financial Activities in the period to which they relate.

1.12 **Debtors**

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

1.13 **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.14 **Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income included in the year in creditors or received into the bank, but which relates to a subsequent period, such as a grant relating specifically to a future period, is recognised in the Statement of Financial Activities of that period.

1.15 **Financial instruments**

The charity 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 charity's balance sheet when the charity 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 and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been

affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, which include trade and other creditors, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as receivable within one year are not amortised.

Derecognition of financial liabilities

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

2. Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income from charitable activities	2024 Unrestricted £	2024 Restricted £	2024 Total £	2023 Total £
Treatment, intervention & outreach work				
Rochdale DAAT	-	349,559	349,559	300,000
Bury DAAT	-	196,217	196,217	196,179
Bereavement Counselling	-	84,479	84,479	81,897
Bury Outreach	-	12,300	12,300	3,600
Bury CCG	-	-	-	96,197
Bolton, Salford and Trafford	-	556,358	556,358	518,330
Streetwise	-	40,805	40,805	61,149
Bury Family Safeguarding Partnership	-	60,083	60,083	-
ICB Bury	-	177,434	177,434	-
GM Housing First	-	124,622	124,622	117,138
Mentally Healthy Schools Bury	-	179,158	179,158	144,388
Mentally Healthy Schools Rochdale	-	46,364	46,364	44,858
Bury Vaping	-	10,000	10,000	-
The Getting Helpline	-	169,678	169,678	158,638
Early Help Hub Bury	-	150,000	150,000	-
ICB Streetwise	-	90,620	90,620	-
Oldham	-	534,215	534,215	599,216
BBST PP OHID	-	164,002	164,002	252,833
Cardinal Langley	-	12,446	12,446	7,056
CCG Bury (Mindfulness)	-	42,690	42,690	263,913
Junction 17	-	12,364	12,364	-
Ingeus	-	47,139	47,139	147,865
Rochdale CCG (Closing The Gap)	-	106,315	106,315	102,631
Rochdale – Universal Funding	-	-	-	6,706
Rochdale VRU	-	48,003	48,003	31,500
OHID Bolton, Salford and Trafford	-	38,683	38,683	-
Salford Social Care	-	-	-	38,027
Thrive Rochdale	-	90,615	90,615	129,948
Trauma Responsive	-	-	-	12,818
VCSE Navigator	-	258,000	258,000	193,968
Vol & Comm Grant	-	-	-	15,063
Blackburn with Darwen	-	322,271	322,271	301,877
Pathfinder	-	212,257	212,257	105,972
Trauma Informed	-	-	-	82,692
Oldham CSC	-	149,001	149,001	149,000
Oldham VRU	-	32,002	32,002	32,000
Salford VRU	-	29,002	29,002	29,000
Bury VRU	-	19,054	19,054	5,775
Salford Vaping	-	9,999	9,999	-
Targeted Work Trafford	-	39,998	39,998	-
Turnaround Rochdale	-	10,000	10,000	-
Heywood VRU	-	-	-	10,000
Orbish	-	17,352	17,352	10,123
OHID Bury	-	25,270	25,270	18,049
OHID Rochdale	-	141,959	141,959	72,891
OHID B&D	-	145,308	145,308	21,060
OHID Oldham	-	42,000	42,000	21,000

3. Income from charitable activities (Continued)

	2024 Unrestricted £	2024 Restricted £	2024 Total £	2023 Total £
Radcliffe Rotary Schools	-	750	750	5,250
Salford Complex Safeguarding	-	9,747	9,747	-
Aris	-	5,000	5,000	5,000
Domestic Abuse	-	-	-	18,000
Rend	-	25,000	25,000	-
Resources – Stressed Out Brain	-	65,998	65,998	-
Sarah J Truman	-	19,500	19,500	-
Miscellaneous grants, donations and income	20,321	-	20,321	12,707
	20,321	4,923,617	4,943,938	4,424,314

4. Expenditure on charitable activities

	Basis of allocation	Charitable activities £	Governance costs £	2024 Total funds £	2023 Total funds £
Costs directly allocated to activities					
Staff costs	Direct	2,788,925	-	2,788,925	2,494,950
Pension costs	Direct	139,803	-	139,803	132,972
Bad debts	Direct	4,368	-	4,368	-
Hygiene and office cleaners	Direct	18,184	-	18,184	11,140
Consultancy and advice	Direct	293	-	293	46,681
Promotion and advertising	Direct	9,618	-	9,618	8,870
Supervision	Direct	38,538	-	38,538	34,829
Training provision	Direct	12,062	-	12,062	8,280
Utilities	Direct	37,821	-	37,821	22,223
Travel expenses	Direct	57,031	-	57,031	49,392
Accountancy and audit fees	Direct	34,706	10,560	45,266	36,133
Doctor and medical fees	Direct	650	-	650	2,600
Printing, postage and stationery	Direct	50,055	-	50,055	54,026
Sundry running expenses	Direct	51,216	-	51,216	57,124
Health and safety	Direct	5,822	-	5,822	5,420
Property repairs and alterations	Direct	20,989	-	20,989	17,588
Telephone, internet and IT costs	Direct	80,391	-	80,391	67,486
Project work	Direct	666,320	-	666,320	466,082
Depreciation	Direct	24,443	-	24,443	14,082
Amortisation	Direct	-	-	-	1,635
Legal and professional fees	Direct	25,406	-	25,406	23,370
Mortgage Interest	Direct	1,259	-	1,259	-
		4,067,900	10,560	4,078,460	3,554,883
Support costs allocated to activities					
Staff costs	Staff time	130,787	8,114	138,901	138,599
Pension costs	Staff time	7,099	434	7,533	7,561
Rent and rates	Floor area	107,571	-	107,571	93,985
Insurance	Floor area	26,095	-	26,095	17,906
Telephone, internet and IT costs	Staff time	78,226	-	78,226	102,353
		349,778	8,548	358,326	360,404
		4,417,678	19,108	4,436,786	3,915,287

5. Net income

This is stated after charging:	2024 £	2023 £
Amortisation and depreciation	24,443	15,717
Auditors' remuneration:		
Audit fees	10,560	10,765
Operating leases – land and buildings	107,571	93,985

6. Staff costs and numbers

Staff costs were as follows:	2024 £	2023 £
Salaries and wages	2,690,282	2,422,098
Social security costs	237,544	211,451
Pension contributions	147,336	140,533
	3,075,162	2,774,082

One employee received emoluments between £70,001 and £80,000 during the year (2023: 0).

No employees received emoluments between £60,001 and £70,000 during the year (2023: 1).

The total employee benefits of the key management personnel of the charity were £272,702 (2023: £236,780).

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

	2024	2023
Management	4	4
Treatment, intervention, and outreach	104	97
Administration and support	2	3
	110	104

7. Pension costs

The charity operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £147,336 (2023: £140,533).

8. Trustees

The trustees have not received any remuneration or benefits or reimbursement of expenses during the year.

9. Intangible fixed assets	Software	Website	Total
	£	£	£
Cost			
At 1 April 2023	26,995	7,250	34,245
Additions	-	-	-
At 31 March 2024	26,995	7,250	34,245
Amortisation			
At 1 April 2023	26,995	7,250	34,245
Charge for the year		-	
At 31 March 2024	26,995	7,250	34,245
Net book value			
At 31 March 2024	-	-	-
At 31 March 2023	-	-	-

10. Tangible fixed assets	Fixtures fittings and equipment	Motor vehicles	Buildings and improvements	Total
	£	£	£	£
Cost				
At 1 April 2023	113,393	2,000	-	115,393
Additions	37,895	-	227,535	265,430
At 31 March 2024	151,288	2,000	227,535	380,823
Depreciation				
At 1 April 2023	84,334	2,000	-	86,334
Charge for the year	23,694	-	749	24,443
At 31 March 2024	108,028	2,000	749	110,777
Net book value				
At 31 March 2024	43,260	-	226,786	270,046
At 31 March 2023	29,059	-	-	29,059

11. Debtors

	2024	2023
	£	£
Trade debtors	617,653	1,233,133
Other debtors	64,035	89,172
	681,688	1,322,305

12. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	106,060	61,371
Taxation and social security	63,849	50,299
Other creditors and accruals	62,262	53,384
Bank loans	9,925	-
Deferred income	59,267	501,234
	301,363	666,288

Deferred income represents income received in the year for specific expenditure which partly, or wholly, falls in a later period. The amount deferred at year end equates to the portion remaining to be spent at that point.

13. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Bank loans	132,766	-
	132,766	-

Bank loans is made up of a loan secured by fixed charges over the tangible property.

14. Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Equity instruments measured at cost less impairment, comprising cash at bank and in hand, trade and other debtors and accrued income	2,241,782	2,240,083

	2023 £	2023 £
Carrying amount of financial liabilities		
Equity instruments measured at cost less impairment, comprising creditors per note 12, but excluding deferred income, taxation and social security	178,257	114,755

15. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2024 are represented by:			
Intangible assets	-	-	-
Tangible assets	270,046	-	270,046
Net current assets	1,046,689	939,414	1,986,103
Non – current liabilities	(132,766)		(132,766)
	1,183,969	939,414	2,123,383
Fund balances at 31 March 2023 were represented by:			
Intangible assets	-	-	-
Tangible assets	29,059	-	29,059
Net current assets	794,873	788,234	1,583,107
	823,932	788,234	1,612,166

16. Net cash generated from/(used in) operations

	2024 £	2023 £
Net movement in funds for the year	511,217	510,105
Adjustments for:		
Depreciation charged	24,443	14,082
Amortisation charged	-	1,635
Investment income received	(4,065)	(1,078)
Movements in working capital:		
(Increase)/Decrease in debtors	640,616	(559,949)
Decrease in creditors	(232,158)	(263,711)
Net cash generated/(used)	940,053	(298,916)

17a. Movements in funds for the year

	Balance 01.04.23	Income	Expenditure	Transfers	Balance 31.03.24
Restricted funds	**£**	**£**	**£**	**£**	**£**
Rochdale DAAT	7,284	349,559	(277,279)	(46,502)	33,062
Bury DAAT	8,265	196,217	(155,743)	(48,739)	-
Bury CCG (Mindfulness)	60,030	42,690	(88,602)	(5,250)	8,868
Bolton, Salford and Trafford	66,094	556,358	(430,351)	(97,579)	94,522
Bereavement Counselling	33,458	84,479	(95,784)	(14,087)	8,066
Bury Outreach	8,220	12,300	(5,654)	-	14,866
Early Hub Help	-	150,000	(147,208)	(2,792)	-
Public Health England	10,731	-	(11,100)	369	-
Resources – Stressed Out Brain	-	65,998	(30,787)	-	35,211
Rochdale Outreach	3,699	-	(336)	-	3,363
GM Housing First	1,133	124,622	(104,376)	(21,379)	-
Mentally Healthy Schools Bury	68,426	179,158	(142,861)	(24,000)	80,723
Mentally Healthy Schools Rochdale	15,453	46,364	(53,309)	(8,508)	-
Oldham	606	534,215	(497,439)	(37,382)	-
The Getting Helpline	1,817	169,678	(110,898)	(22,317)	38,280
Trafford Outreach	7,792	-	(1,994)	-	5,798
BBST PP OHID	161,195	164,002	(159,443)	(17,324)	148,430
Blackburn with Darwen	56,259	322,271	(296,916)	(37,586)	44,028
Cardinal Langley	2,297	12,446	(5,167)	-	9,576
ICB Bury	-	177,434	(160,308)	(7,431)	9,695
Closing The Gap Group Work	4,289	-	(24)	(4,265)	-
Ingeus	11,970	47,139	(49,647)	(9,462)	-
Pathfinder	344	212,257	(180,300)	(32,301)	-
Rochdale CCG (Closing The Gap)	11,246	106,315	(84,723)	(14,424)	18,414
ICB Streetwise	-	90,620	(73,304)	(7,482)	9,834
Rochdale VRU	12,612	48,003	(21,688)	-	38,927
Salford Outreach	-	-	(2,099)	5,000	2,901
Sarah J Truman	-	19,500	(23,204)	3,704	-
Thrive Rochdale	66,184	90,615	(69,820)	(14,357)	72,622
Trauma Informed	32,766	-	(31,387)	(1,379)	-
Trauma Responsive	14,953	-	(14,953)	-	-
VCSE Navigator	-	258,000	(216,688)	(41,312)	-
OHID Bolton, Salford and Trafford	-	38,683	(39,300)	617	-
Streetwise	9,154	40,805	(43,658)	(5,998)	303
Oldham CSC	12,729	149,001	(153,002)	(8,728)	-
Oldham VRU	32,000	32,002	(39,544)	-	24,458
Salford VRU	12,380	29,002	(33,889)	(7,493)	-
Bury VRU	2,539	19,054	(14,273)	(7,320)	-
Heywood VRU	7,731	-	(1,682)	-	6,049
Orbish	-	17,352	(15,832)	(1,520)	-
OHID Bury	7,472	25,270	(28,915)	(3,827)	-
OHID Rochdale	12,540	141,959	(98,731)	(12,769)	42,999

17a. Movements in funds for the year

Continued	Balance 01.04.23	Income	Expenditure	Transfers	Balance 31.03.24
	£	£	£	£	£
OHID B&D	183	145,308	(56,639)	(18,796)	70,056
OHID Oldham	20,968	42,000	(24,970)	(2,711)	35,287
Radcliffe Rotary Schools	3,415	750	(760)	(3,405)	-
Aris	-	5,000	-	(5,000)	-
Targeted Work Trafford	-	39,998	(1,483)	-	38,515
Bury Family Safeguarding	-	60,083	(36,832)	-	23,251
Rend	-	25,000	(19,889)	(5,111)	-
Bury Vaping	-	10,000	(9,000)	(1,000)	-
Salford Vaping	-	9,999	(9,000)	(999)	-
Salford Complex Safeguarding	-	9,747	(1,407)	(1,109)	7,231
Turn Around Rochdale	-	10,000	-	-	10,000
Junction 17	-	12,364	(6,442)	(1,843)	4,079
Restricted funds	788,234	4,923,617	(4,178,640)	(593,797)	939,414
Unrestricted funds	823,932	24,386	(258,146)	593,797	1,183,969
Total funds	1,612,166	4,948,003	(4,436,786)	-	2,123,383

Within unrestricted funds are funds totalling £60,147 (2023: £60,147) which have been designated by the trustees for specific purposes (see note 18).

Transfers shown between restricted and unrestricted funds in notes 17a and 17b generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally, transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 18.

Further information about restricted funds and designated funds is provided in note 18.

17b. Movements in funds for the prior year (for comparison purposes)

	Balance 01.04.22	Income	Expenditure	Transfers	Balance 31.03.23
Restricted funds	**£**	**£**	**£**	**£**	**£**
Rochdale DAAT	6,698	300,000	(249,059)	(50,357)	7,282
Bury DAAT	3,006	196,179	(140,793)	(50,127)	8,265
Bury CCG (Mindfulness)	81,707	96,197	(117,874)	-	60,030
Bolton, Salford and Trafford	26,435	518,330	(382,716)	(95,955)	66,094
Bereavement Counselling	13,358	81,897	(55,797)	(6,000)	33,458
Bury Outreach	7,273	3,600	(2,653)	-	8,220
Anti-Bullying & Falinge Park High School	3,629	-	(760)	(2,869)	-
Public Health England	84,741	-	(74,010)	-	10,731
The Grand Trust	15,611	-	(15,380)	(231)	-
Rochdale Outreach	6,747	-	(3,048)	-	3,699
GM Housing First	-	117,138	(100,729)	(15,276)	1,133
Mentally Healthy Schools Bury	34,210	144,388	(105,549)	(4,623)	68,426
Mentally Healthy Schools Rochdale	11,702	44,858	(37,252)	(3,855)	15,453
Oldham	51,253	599,216	(603,641)	(46,222)	606
The Getting Helpline	25	158,638	(105,051)	(51,795)	1,817
Trafford Outreach	10,633	-	(2,841)	-	7,792
BBST	42,646	252,833	(116,864)	(17,420)	161,195
Blackburn with Darwen	(4,055)	301,877	(213,392)	(28,171)	56,259
Cardinal Langley	-	7,056	(4,759)	-	2,297
CCG Bury	(952)	263,913	(231,393)	(31,568)	-
Closing The Gap Group Work	6,363	-	(2,074)	-	4,289
Ingeus	2,807	147,865	(117,487)	(21,215)	11,970
Pathfinder	(78)	105,972	(98,905)	(6,645)	344
Rochdale CCG (Closing The Gap)	-	102,631	(82,185)	(9,200)	11,246
Rochdale – Universal Funding	11,851	6,706	(15,655)	(2,902)	-
Rochdale VRU	4,847	31,500	(21,985)	(1,750)	12,612
Salford Outreach	1,509	-	(1,724)	215	-
Salford Social Care	-	38,027	(29,240)	(8,787)	-
Thrive Rochdale	37,539	129,948	(85,435)	(15,868)	66,184
Trauma Informed	(69)	82,692	(47,414)	(2,443)	32,766
Trauma Responsive	8,145	12,818	(6,010)	-	14,953
VCSE Navigator	8,686	193,968	(165,201)	(37,453)	-
Vol & Comm Grant	1,361	15,063	(11,862)	(4,562)	-
Streetwise	-	61,149	(51,995)	-	9,154
Oldham CSC	-	149,000	(130,794)	(5,477)	12,729
Oldham VRU	-	32,000	-	-	32,000
Salford VRU	-	29,000	(16,620)	-	12,380
Bury VRU	-	5,775	(2,842)	(394)	2,539
Heywood VRU	-	10,000	(2,269)	-	7,731
Orbish	-	10,123	(10,075)	(48)	-
OHID Bury	-	18,049	(9,469)	(1,108)	7,472
OHID Rochdale	-	72,891	(58,524)	(1,827)	12,540

17b. Movements in funds for the prior year (for comparison purposes)

Continued	Balance 01.04.22	Income	Expenditure	Transfers	Balance 31.03.23
	£	£	£	£	£
OHID B&D	-	21,060	(15,522)	(5,355)	183
OHID Oldham	-	21,000	(32)	-	20,968
Radcliffe Rotary Schools	-	5,250	(1,835)	-	3,415
Aris	-	5,000	-	(5,000)	-
Domestic Abuse	-	18,000	(12,459)	(5,541)	-
Other funds	4	-	(118)	114	-
Restricted funds	477,632	4,411,607	(3,561,292)	(539,713)	788,234
Unrestricted funds	624,429	13,785	(353,995)	539,713	823,932
Total funds	1,102,061	4,425,392	(3,915,287)	-	1,612,166

Within unrestricted funds are funds totalling £60,147 (2022: £67,887) which have been designated by the trustees for specific purposes (see note 18).

18. Information about restricted and designated funds

Restricted funds:

Rochdale and Bury DAAT - Ongoing payments in relation to our DAAT contract and various projects, such as Holding Families (family parental substance misuse focused work).

Bury CCG (Mindfulness) - For mindfulness work in Bury.

Emotional Wellbeing - For a post held in Rochdale in relation to 'Emotional Health and Well Being'.

Bolton, Salford and Trafford – Contract to deliver specialist young person and families substance misuse service.

Bereavement Counselling – Bereavement and loss counselling for young people in Bury.

Bury and Rochdale Outreach – Street base outreach work with young people.

Anti-Bullying & Falinge Park High School – Deliver a pilot with local high schools to work specifically with young people who are perpetrators of bullying to work to combat bullying in the school environment.

Public Health England – Holding Families Plus Project; partnership work with Rochdale Council, GMMH, One Plus One, Manchester Metropolitan University to work with families with parental alcohol misuse.

The Grand Trust – Funds towards costs incurred for the Holding Families, SIF and Henry Smith projects.

CHK Foundation – For the direct intervention with young people to address alcohol and drug misuse.

Rochdale WEA – For a dedicated worker in each of Bury and Rochdale to act alongside programmes in both areas to broaden the response to young people on the edge of gang related and weapon related crime in the area.

Rochdale MBC Alcohol Exposed Pregnancy – Support for women struggling with alcohol use during their pregnancy.

Barnardos Phase 1/Phase 2 – For group support sessions and education re-integration.

GM Housing First – To support people facing difficulties in finding and sustaining suitable accommodation.

Hopwell Hall College – To support the emotional health and wellbeing of pupils.

Lottery – To offer brief emotional health and wellbeing intervention to young peoples during the pandemic.

Mentally Healthy Schools Bury and Rochdale – For dedicated workers to support mental health in the school environment.

Oldham - Delivering an integrated young person's sexual health and substance misuse service.

Salford Steer – For a dedicated worker to work alongside Salford Foundation's STEER workers to provide intervention with young people to address alcohol and drug misuse.

The Getting Helpline – To provide a telephone support line to those experiencing low level emotional/mental health difficulties.

Trafford Outreach – Street base outreach work with young people.

Youth Endowment – For the direct intervention with young people to address legal and illegal drug misuse.

BBST - Contract to deliver specialist young person and families substance misuse service.

Blackburn with Darwen - To deliver the young people and families treatment services as part of the all age substance misuse service in Blackburn with Darwen

Cardinal Langley- Project offering 2 days / week emotional health and wellbeing support based in school setting (school directly funded).

CCG Bury- Emotional health and wellbeing support 1:1 to young people aged 14-16 (Streetwise) and 16- 25 (Closing the Gap).

18. Information about restricted and designated funds (continued)

Closing the Gap Group Work- Lets do it! Bury local authority funded group work for CYP aged 16-25.

Ingeus - Contract to support NEET and hidden NEET young people into education, training or employment.

Pathfinder- To offer solution focused support to young people around housing, maintenance of tenancies and independent living.

Rochdale CCG (Closing the Gap)- Emotional health and wellbeing 1:1 work for 16-25 years olds in Heywood, Middleton and Rochdale.

Rochdale – Universal Funding – Substance Use Worker Rochdale complex safeguarding.

Rochdale VRU – Young person worker 2 days Rochdale.

Salford Outreach - Street-based Outreach work for young people.

Salford Social Care - Contract to deliver specialist substance misuse work in Salford.

Thrive Rochdale- Emotional health and wellbeing support for CYP stepped down from Rochdale CAMHS (1:1).

Trauma Informed- Evidence based trauma-therapy delivered to those 18+ in exploring the impact of adverse traumatic experiences on mental health substance use and recovery.

Trauma Responsive- Systems development work supporting Bury and Salford VCSE groups to develop their trauma-responsiveness.

VCSE Navigator - Contract as lead provider to deliver direct and subcontracted support to young people who have revised a CAMHS intervention.

Vol & Comm Grant – One HF+ family worker 4 days Rochdale.

Oldham CSC – Emotional health and wellbeing support with those young people who are looked after by Oldham local authority, providing one-to-one and group interventions with children, young people, their families and carers.

Oldham VRU – A 'Specialist Young Persons worker' to support young people with substance related issues and on the periphery or involved with violence. The work is trauma responsive and works on a continuum of need from prevention through to behaviour change.

Salford VRU – This offer is 0.6 to work with children affected by parental substance misuse and 0.2 leadership to oversee leadership across the team and support with case reviews and PDP's.

Bury VRU - Young person family worker for two days in Bury East and Moorside.

Heywood VRU – A 'Specialist Young Persons worker' to support young people with substance related issues and on the periphery or involved with violence. The work is trauma responsive and works on a continuum of need from prevention through to behaviour change.

Orbish – To support the delivery and development of the sexual health services across Oldham, Rochdale and Bury by recruiting young people to ascertain services users experience to improved future service delivery.

OHID Bury/Rochdale – The funding will provide a 0.4 trainer to work centrally for training development of the workforce, a 1WTE to work with young substance users, a 1WTE to work with children affected by parental substance misuse and 1WTE to be used to provide a transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID B&D - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality. The funding will also be used to provide a 1WTE transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID Oldham - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality.

Radcliffe Rotary Schools – Fully qualified therapist within a primary school.

18. Information about restricted and designated funds (continued)

Aris - Early Break provide training and support to professionals mentoring young people who are exposed to criminal exploitation. Where there is a substance related need Early Break will ensure young people and their familiar receive access to the appropriate services.

Bury Family Safeguarding – Multi disciplinary team supporting families with complex dependencies

ICB Bury/Streetwise – EHWB support for young people

Resources – Stressed out Brain

Early Help Hub – Bury development for young peoples mental health

Designated funds:

The trustees have set aside £60,147 of unrestricted funds to support a variety of projects and activities, including voice to voice roles (£24,000) and CYB Bolton (£26,723). The total designated at the previous year end was £60,147.

19. Related party transactions

No related party transactions have taken place during the year (2023: none).

EARLY BREAK

England & Wales - Charity number 1072052

Accounts

EARLY BREAK

FINANCIAL STATEMENTS

31 MARCH 2023

Registered Charity No: 1072052
Registered Company No: 03320039

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

EARLY BREAK

CONTENTS

	PAGE
Report of the Trustees/Directors	1 – 8
Independent Auditors' Report	9 – 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Accounts	15 – 30

REPORT OF THE TRUSTEES/DIRECTORS

The trustees present their annual report and the financial statements for the year ended 31 March 2023.

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 charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Reference and administrative information

Trustees/Directors	Tracy Hill (Chair of Trustees) Lydia Edgar Stephen Marley Katharine Shethwood Louise Sell Karen Whitehead Howard Millington Karen Dolton Janice Allen (appointed 17 January 2023)
Chief Executive and Company Secretary	Vicky Maloney
Registered Office and Operational Address	Annara House 7-9 Bury Road Radcliffe Manchester
Auditors	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank plc 17 Bank Street Rawtenstall Rossendale Lancashire
Solicitors	DWF LLP Bridgewater Place Water Lane Leeds

Structure, governance and management

Governing document

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997. As such it has no share capital and, in the event of the charity being wound up, the members are required to contribute a sum not exceeding £10. The company was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association.

The registered charity number is 1072052. The registered company number is 03320039.

Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, are as listed on page 1. As the company is limited by guarantee, the trustees have no share capital interests. In the event of a winding up of the company they would be expected to contribute a maximum of £10 each.

The trustees give their time freely and none received any remuneration or benefits during the year.

Trustee recruitment, appointment, induction and training

The trustees are known as members of the Trustee Board or Management committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The trustees demonstrate a range of experience and skills. The charity is keen to recruit more trustees and each member of the Management Committee has a responsibility to explore recruitment possibilities. Trustees are invited and encouraged to shadow workers and attend training and to familiarise themselves with the charity and the context within which it operates. This has been underpinned through development of a Trustee Shadowing policy. In addition, specifically focused meetings/training events occur throughout the year on: the roles and responsibilities of trustees; the main documents which set out the operational framework for the charity, including the Memorandum and Articles; resourcing and the current financial position as set out in the latest published accounts and internal business planning.

A designated trustee participates in the recruitment and selection process to appoint new workers to the service, typically where the role is one of seniority.

The Board has been privy to a mix of audit processes of the organisation including specifically the NCVO legal checklist for Boards ensuring duties of both the Board and organisation are met timely and robustly for organisational functioning. The focus for 23-24 is in ever improving our commitment to Equality, Diversity and Inclusion and we are pleased to be working with http://www.equalityanddiversity.co.uk/ to deepen our experience and knowledge in this.

We have reviewed our trustee induction to further build on a welcoming experience for new Trustees. This is further underpinned by our commitment at all levels of the organisation to be trauma informed in who we are and all we do. This is in line with the GM commitment to being Trauma Informed https://www.trgm.co.uk/

Activity

In 2024 within the span of its overarching Business plan, Early Break will have been in operation for 30 years. The service delivers the majority of it's work across six of the ten Greater Manchester (GM) localities as well as additionality in Blackburn with Darwen where we were appointed as the Young People and Family Service provider in a partnership model for substance misuse. Early Break has consistently contributed to the broader GM agenda where children, young people and families are affected by substance misuse, emotional wellbeing or where parenting is compromised though parental substance use, criminality and wider intergenerational issues.

The ability to offer high standards that are rooted in co-produced child and family focussed offers is critical to the strength of the service. This is further underpinned though a robust clinical governance framework and a commitment to external scrutiny and quality assurance of our offer.

Building on its 2019 – 2022 Business plan Early Break offers three distinct areas of delivery for children and families:

- **Core offer** - Early Break's core young person's Substance Misuse offer focussing on one-to-one support, education and advice, early intervention and harm reduction and treatment interventions.
- **Family work** - Early Break was commissioned by Public Health England to deliver Holding Families + which supports families with parental Substance Misuse and the additional vulnerability of the parent serving a custodial sentence. This has ensured our confidence and breadth of skill in offering family work that bring whole family approaches building on our almost 20-year delivery of Holding Families community offer.
- **Emotional Health & Well-Being** – Early Break offer a number of services to support 'Emotional Health & Well-Being' for children, young people and families such as Mindfulness sessions, Holistic Therapies, Bereavement & Loss Counselling, Emotional Health & Wellbeing Groups and Family Support.

The service is committed to ensuring a trauma informed approach at every point in our practice as well as applying trauma responsive offers within our capability and skill set. The working groups within service ensure our internal learning is shared across the organisation and we have been alongside GM leadership in what the GM trauma ambition can mean for agencies such as ourselves. Events of the past three years have seen Early Break be truly tested in our workforce mobilisation, growth and offer of high support and high professional challenge where it has been strengthened as we have moved out of COVID.

Risk Management

Early Break has an ongoing risk register to manage the risk for the charity, the key features of which are outlined below and are reviewed on a bi-monthly basis by the Senior Leadership Group. They are reported on in varying formats bi-monthly to the full Board. The risks are reflective of the aforementioned, and newly reviewed for the years 2022-2025, Early Break Business Plan. The last year has continued to put a different mix of pressures on the organisation as we continue to navigate the financial, emotional, practical risks of cost of living, Public Service Reform at ICB level and across an ongoing tumultuous political landscape. Staff and Board are as always to be commended in their flexibility, tenacity, child centredness and "can do" in offering our services.

Risks identified and managed are:

1. Short-term funding cannot be renewed, core funding will be depleted and new sources cannot be found and/or there are cuts to statutory funds, increasing competition and forcing Early Break to downsize/make redundancies and lose capacity.

Mitigation
We continue to maintain good relationships, deliver our targets and outcomes and report to SMART principles with all of our current donors/funders. This should continue to support renewed contracts and potential for mainstreaming of current non-recurrent funding. Within a charitable context we recognise that we can pilot or test phase pieces of work to assure and attune based on need and growing the evidence base. Our challenges are felt in where and who to have conversations for such work as the emerging ICB arrangements as they are bedded in across GM and Lancashire and the relationships are developed with local commissioning arrangements within this. The service continues to ensure strategic representing at GMCA level and through building our links Pan Lancashire. This includes a vol sector representative seat at the GM Drug and Alcohol transformation board, as an example. The service has built on opportunities with local VRU (Violence reduction work) to further support this. The Harm to Hope work we have undertaken in substances work has supported targets set out in the 10-year GOV strategy and we remain hopeful for some stability in funding of this money ongoing forward.

The Levelling up on Mental Health money for young people as set out in the mix of Government recommendations and aligned papers should hopefully ensure a place for services such as Early Break alongside the larger NHS Trust clinically focussed work. This is particularly pertinent to Living Well and IThrive approaches.

2. Our service standards do not meet our own or local, regional and national expectations, e.g. poor feedback from service users, indicating poor outcomes for young people and their families, increasing risks for contracts/funding and a negative impact on our reputation.

Mitigation

We maintain confidence and a strong track record in delivering high service standards with increased scrutiny. This is rooted in strong performance management at every level of service and a high challenge/high support culture within our workforce. We have spent a great deal of the last year focussing on organisational culture particularly with new leaders coming through and new staff. A review on induction has taken place to support this. New ICB and wider commissioning asks for internal audits have been undertaken that we have been able to excel at, demonstrating our strengths within our policy, procedures and structures. We have ensured our ongoing audit cycle and sharing this with our Board demonstrates the scrutiny required to know our strengths and areas for improvement. Young people's voice is key to amplify for us what works and we have been delighted to be able to employ the two young people in our Voice to Voice work where they directly understand and give a steer to what needs to improve, rooted in their experienced lens.

Beyond what is expected in daily operations we are taking a focus on Equality and Diversity in the coming year to further assure ourselves on our commitments in this and ongoing strengthening of our Trauma informed organisational approach.

We are working with LCO arrangements on the expected policy and practice responsiveness and continue to champion the GM Vol sector accord.

3. The charity is unable to respond to and influence the changing external political, funding and health and social care environment.

Mitigation

The current Senior Leaders continue to have a recognised strategic presence and are well networked locally, through LA level and GM and now Lancashire structures and through focussed national arenas. This includes on the horizon work with OHID within our Early Break Chaired North West Group.

We have, in the last year, been able to start to build our links in Lancashire through our Blackburn with Darwen contract. Early Break continues to amplify the voice of the child in appropriate forums, as outlined in our service user policy and the named opportunities for this. Our responsiveness to need means we need an entrepreneurial and informed leadership team. As a response further, imbedding leadership away days and our development framework for new leaders has supported this strong culture.

Reputationally, we have mainlined links to key strategic leads and through attendance at like-minded VCSE groups for shared representation. This includes a place on the GM Mental health CYP Board and local arrangements as examples. Leaders are expected to be politically aware and understand the pressure on the varying LA we serve so we are both informed and informative in the arenas we are in.

4. We do not have sufficient financial arrangements, processes, protocols and infrastructure in place to ensure the smooth running of the charity, avoid fraud and meet the requirements of the Charity Commission.

Mitigation

We continue to have a robust annual, external audit which highlights concerns and areas for improvement, which are signed off by the Board and monitored. We have external management accounts reviewed by SLT and have reviewed and embedded the Charity Commission Financial Control Checklist and Finance Manual in our practice, reviewed year on year. Finance is systematically reported and shared with the Board, allowing for planning at all levels. The charity has reviewed its processes in line with the internal audit process agreed in Clinical governance. We are working to embed Formstack as a further way to create efficiency in tech and our digital strategy that support our financial processes alongside HR and client facing activity.

Internal processes and segregation of duties support avoidance of Fraud as well as the commitment to Cyber Essentials Plus in our Digital processing.

5. Association with high level safeguarding and/or serious untoward incidents.

Mitigation

Early Break has robust externally audited safeguarding/child protection/SUI policies and protocols in place and all staff are fully inducted and trained in these areas. All staff complete enhanced DBS checks which are renewed regularly. We have an experienced SLT, including a designated safeguarding role and appropriate trained deputies. An escalation process is embedded in practice and a risk and review cycle and dissemination of learning procedure is in place. We have an appointed H&S lead and oversight of a risk assessment culture. The service continues to complete a Section 11 audit annually. Additional to this are external audits from LCO arrangements and internal audits on casework and embedding of a Trauma informed approach throughout the organisation. A newly reviewed staff induction process and access to safeguarding training has supported this. Competency and rigorous case review process support staff identification and responsiveness to safeguarding ensuring we are confident that works do the right thing a in timely and ethical model.

Staff have also had training in attending coroners court and we plan to embed weapon enabled crime policies to support our VRU work. We have a robust Business continuity plan in place and hold an SLT oversight of untoward incidents/near misses with learning shared throughout the organisation ongoing in a range of meeting structures and comms.

6. Adverse media impacting negatively on Early Break reputation.

Mitigation

Early Break carefully considers any engagement with the media, as outlined in our robust social media policy with clear delineation on contacts. We have internal sign off on all press releases and monitor our social media accounts underpinned by policy and governance. Staffing and external contracts and workforce conduct are outlined in relevant policies. The service has reviewed its social media role and associated personnel in the coming year so we are vocal in celebrating our work and managing effectively any attempts to derive salacious enquiry on the lives of our clients.

Additionally, to this we head to our 30th year as a charity in 2024 and as such embedding a new Marketing and comms lead in the coming year will support our media relationships ongoing.

7. Breaches in data protection and Information Governance regulation, impacting on service reputation and safety of young people.

Mitigation

We continue to have robust Information Governance and Data Protection policies and procedures in place, in line with ICO and NHS contract criteria. All staff have received and continue to receive ongoing training. Data specific audits are embedded, including cyber fraud and GDPR practice. The service has a named Data Controller. As always, our focus will be in keeping children and families safe and thriving, focusing on prevention where we can, to support the reduction of presentation in expensive arenas of public sector offers. We have recognized the threat of Cyber Fraud and have completed the process for Cyber Essential plus. We undertake a mix of data impact assessments on our work streams to ensure we are meeting the requirements of need and shared data demands.

Objectives and activities

The charity is established to provide the relief of sickness and the preservation of good health of young people who use legal and illegal substances by the provision of counselling, support and treatment services for such persons and their families; the provision of support and advocacy services to vulnerable young people and their parents/carers; the provision of residential care to vulnerable young people where substance misuse is a factor in creating their vulnerability; the provision of services to families whose lives are adversely affected by a parent/carer/adult family member's substance misuse; to advance research into the use of substances by young people and to disseminate the results of such research; to advance the education of the public, in particular young substance users and misusers, and the professionals and organisations who come into contact with such persons, providing appropriate training, advice and consultancy services and information and resources. To promote the physical and mental health and wellbeing of young people and their families in particular but not exclusively by providing advice and information and raising awareness.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do.

Review by the Chair of Trustees of developments, activities and achievements and of future prospects and plans

Early Break has had to continually navigate and address its journey to offer support and staff welfare in the shadow of cost of living challenges for both our beneficiaries and workforce. We have been able to address incremental uplifts in the last year and hope to input an uplift across the Board to ensure a steadying of our workforce going forward where recruitment across health and social care is nationally challenging. Focussing on wider benefits for staff we have sought to offer two Well Being Afternoons and two half days for volunteering to support staff.

We are truly seeing the embedding of the Dame Carol Black Review on substances in the recommendations set out in from Harm to Hope. Early Break is securing a new and emerging workforce in its drug and alcohol work and this has been noted in national documents that recruitment to drug and alcohol service is particularly challenged due to historic disinvestment and lack of skills/experience in this field.

Our strengthened induction and increasing growth of developmental roles has supported the career paths for new staff at a pace that is right for them and most importantly the young people we serve.

Across our family workstreams the emerging Family Hubs and increasing offers across criminal justice are often difficult to join up and our roles developed through VRU money and through our Holding Families plus model are key to making the case for the specialised work with families who are more unlikely to present in universal or even targeted services.

We are keen to build in a quality assurance role in the coming year specific to our family work to further understand our impact and for activity to build on our national PHE funded work. Clearly lacking whole family approaches and a trauma lens to what families need has been uncovered time and time again and our commitment to offering this is unfaltering.

We have much to build on in creating trauma informed systems for children and families whilst working against the tide of increased poverty and lack of access in health and social care as our statutory partners face their own challenges. We have had opportunity of some peer support to other VCSE organisations to share our Trauma informed practice and this supports the GM ambition for Trauma informed regional work and places us a strong lead across the VCSE sector in this way of working.

Our Board remains consistent and within meetings we have ongoing space for special focussed time and Business planning as well as mix of presentations on service activity, service user voice and the ongoing opportunity for Board members to undertake service visits and training.

We continue to have monthly internal finance/HR meetings, during which we scrutinise the figures and budgets to track the "bottom line". We are confident in our processes and we have in a commitment to best practice reviewed the financial systems in line with the charity commission guidance. We continue to have high levels of staff retention and low sickness rates but do not to take a complacent stance on this. We are further on in imbedding our Equality and Inclusion work in the last year this has been development of specific polices on Trans equality and support of menopausal staff through appropriate polices. We have also brought new leave for staff wellbeing on two half days as well as opportunity for staff to take two volunteer days to support a charity of their choice and thus strengthen our work as a charitable charity.

We have undertaken specific business planning for our areas of delivery that are held by our Operational Managers. These in turn speak to our Business plans and reflect local and themed work. They are reviewed and worked to in locality meetings and are understood by all workforce in their practice to support thinking, we have included our consideration of risk for Early Break in this report.

Over the past 12 months we have increased leadership capacity across service with more investment in the team leader level, which has created additional capacity for operational and senior managers. Working on full cost recovery has supported this increase with managers' time being paid for in new contracts and projects. Looking forward, we are working with trustees on the potential of purchasing a premise within one of our longer standing geographies of service. We have a maturing Board who understand the sector and are committed and switched on to the challenges we face.

Financial review and reserves policy

Income and expenditure:

- Income increased by £1,300k. This increase has come from monies from OHID, VRU's and work supporting vulnerable people in our Pathfinder and NEET projects. There was an increase in expenditure of £970k on charitable activities.
- In tracking our areas of business and financial sources in the previous year our emotional health and wellbeing income increased which offset a historic higher percentage of substance use funding in service, now with the additional OHID money this has further increased the substance misuse income. But is underpinned by a national investment to this end.

Funds and reserves:

- Reserves had a slight increase for a fifth consecutive year. Unrestricted funds at the year-end amounted to £823,932 (2022: £624,429), of which £60,147 was designated for use on for a variety of projects and activities.
- Free reserves at the year end amounted to £734,726 (2022: £516,876).

It is our belief that our reserves policy remains appropriate to the organisational context and the broad Charity Commission guidance issued in January 2016, Document Charity Reserves: Building Resilience, which stresses there is "no single level, or even a range of, reserves that is right for all charities". This will of course be subject to annual review and consideration to our reinvestment back into the charity. Our free reserves balance at year end, as stated above, represents between 2 and 2.5 months of annual expenditure on charitable activities at current rates.

Responsibilities of the trustees

Company law requires the directors of the charity (namely the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming and outgoing resources for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make proper judgements and estimates that are reasonable and prudent;
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

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

Further, the trustees are responsible for preparing their trustees' report which should disclose the legal and administrative details of the charity and contain a narrative report explaining the organisation's objects, a review of the development, activities and achievements of the charity during the period and of its financial performance and position.

Preparation of the accounts

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution for the reappointment of Barlow Andrews LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Approval of the Trustees' Report

This report was approved by the trustees on 21 September 2023 and is signed on its behalf by:



Vicky Maloney
Chief Executive and Company Secretary

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EARLY BREAK

Opinion
We have audited the financial statements of Early Break for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 March 2023 and of its incoming resources and application of resources 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 Companies Act 2006.

Basis of 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 financial statements 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 financial statements 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 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 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.

Opinion 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 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.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of Early Break for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect that those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 members as a body, for our audit work, for this report, or for the opinion we have formed.



David Kay FCA (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP

Chartered Accountants and Statutory Auditors
Carlyle House, 78 Chorley New Road, Bolton

21 September 2023

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2023

	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total Funds £	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total Funds £
Income:							
Investment income		1,078	-	1,078	30	-	30
Income from charitable activities							
Treatment and intervention and outreach work	3	12,707	4,411,607	4,424,314	96,248	3,028,786	3,125,034
Total income		13,785	4,411,607	4,425,392	96,278	3,028,786	3,125,064
Expenditure on:							
Charitable activities	4	353,995	3,561,292	3,915,287	470,948	2,361,611	2,832,559
Total expenditure		353,995	3,561,292	3,915,287	470,948	2,361,611	2,832,559
Net income/(expenditure) for the year	5	(340,210)	850,315	510,105	(374,670)	667,175	292,505
Transfers between funds	17	539,713	(539,713)	-	456,609	(456,609)	-
Net movement in funds		199,503	310,602	510,105	81,939	210,566	292,505
Funds balances brought forward		624,429	477,632	1,102,061	542,490	267,066	809,556
Funds balances carried forward	17	823,932	788,234	1,612,166	624,429	477,632	1,102,061

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses recognised in the year. All of the charity's activities are classed as continuing.

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Fixed assets			
Intangible assets	10	-	1,635
Tangible assets	9	29,059	38,031
		29,059	39,666
Current assets			
Debtors	11	1,322,305	762,356
Cash at bank and in hand		927,090	1,230,038
		2,249,395	1,992,394
Creditors: amounts falling due within one year	12	666,288	929,999
Net current assets		1,583,107	1,062,395
Net assets		1,612,166	1,102,061
Funds			
Unrestricted funds	17	823,932	624,429
Restricted funds	17	788,234	477,632
Total funds		1,612,166	1,102,061

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved by the board on 21 September 2023 and signed on its behalf by:

Tracy Hill

Tracy Hill
Trustee

Company registration number: 03320039

EARLY BREAK

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	Notes	2023	2022
		£	£
Net cash (used in)/generated from operating activities	16	(298,916)	345,142
Investing activities			
Purchase of fixed assets		(5,110)	(26,798)
Investment income		1,078	30
(Decrease)/increase in cash and cash equivalents in the year		(302,948)	318,374
Cash and cash equivalents brought forward		1,230,038	911,664
Cash and cash equivalents carried forward		927,090	1,230,038

1. Accounting policies

Charity information

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997 in England and Wales. The registered office is Annara House, 7-9 Bury Road, Radcliffe.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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 charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Preparation of the accounts on a going concern basis

At the time of approving the financial statements, the trustees have a reasonable expectation that with these measures in place the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

1.4 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably.

Revenue grants, including both restricted and unrestricted funding, are included in the year in which they are receivable. If they relate to a specified future period they are deferred accordingly.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

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

1.5 **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services, including grants administration. The support costs associated with delivery of these activities and services is also included.

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

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities. They are allocated to the activity cost categories on bases consistent with the use of the resources, as set out in note 4.

1.6 **Transfers**

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees as explained in note 17.

1.7 **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on tangible fixed assets, purchased from unrestricted funds, at rates calculated to write off the cost of each asset over its estimated useful life, taking into account estimated residual value, as follows:

Motor vehicles	-	20% on cost per annum
Fixtures, fittings and equipment	-	$33^{1}/_{3}$ % on cost per annum

Any tangible fixed assets purchased using restricted funds are depreciated over the length of the grant period.

1.8 **Intangible fixed assets**

Intangible fixed assets comprise of application software and database software developed externally. The application software is defined as having a finite useful life and the costs are to be amortised on a straight line basis over the estimated useful life of 5 years, beginning when the development is complete, and the app is in use. The database software and redesign of the website are being amortised at 33.33% as the charity believes this best represents the useful lives of the assets.

Intangible fixed assets are reviewed for impairment whenever there is an indication that the carrying value may be impaired. They are recognised at cost less accumulated amortisation and accumulated impairment losses.

1.9 **Pensions**

The company operates a defined contribution scheme for its employees administered by Aegon. The assets of the scheme are held separately from those of the charity. The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10 **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 **Operating leases**

Operating lease rentals, including property rents, are charged to the Statement of Financial Activities in the period to which they relate.

1.12 **Debtors**

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

1.13 **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.14 **Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income included in the year in creditors or received into the bank, but which relates to a subsequent period, such as a grant relating specifically to a future period, is recognised in the Statement of Financial Activities of that period.

1.15 **Financial instruments**

The charity 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 charity's balance sheet when the charity 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 and 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, which include trade and other creditors, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as receivable within one year are not amortised.

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income from charitable activities	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Treatment, intervention & outreach work				
Rochdale DAAT	-	300,000	300,000	300,000
Bury DAAT	-	196,179	196,179	196,200
Bereavement Counselling	-	81,897	81,897	36,578
Bury Outreach	-	3,600	3,600	7,500
Bury CCG	-	96,197	96,197	109,797
Bolton, Salford and Trafford	-	518,330	518,330	518,330
Streetwise	-	61,149	61,149	75,466
Public Health England	-	-	-	120,500
The Grand Trust	-	-	-	25,000
CHK Foundation	-	-	-	20,000
GM Housing First	-	117,138	117,138	114,331
Mentally Healthy Schools Bury	-	144,388	144,388	91,732
Mentally Healthy Schools Rochdale	-	44,858	44,858	43,316
Rochdale Outreach	-	-	-	120
The Getting Helpline	-	158,638	158,638	158,813
Trafford Outreach	-	-	-	9,500
Youth Endowment	-	-	-	12,251
Oldham	-	599,216	599,216	599,244
BBST PP OHID	-	252,833	252,833	136,667
Cardinal Langley	-	7,056	7,056	12,096
CCG Bury	-	263,913	263,913	166,025
Closing The Gap Group Work	-	-	-	8,430
Ingeus	-	147,865	147,865	22,667
Rochdale CCG (Closing The Gap)	-	102,631	102,631	53,821
Rochdale – Universal Funding	-	6,706	6,706	33,295
Rochdale VRU	-	31,500	31,500	15,500
Salford Outreach	-	-	-	4,550
Salford Social Care	-	38,027	38,027	38,027
Thrive Rochdale	-	129,948	129,948	86,632
Trauma Responsive	-	12,818	12,818	8,145
VCSE Navigator	-	193,968	193,968	64,656
Vol & Comm Grant	-	15,063	15,063	15,063
Blackburn with Darwen	-	301,877	301,877	-
Pathfinder	-	105,972	105,972	-
Trauma Informed	-	82,692	82,692	-
Oldham CSC	-	149,000	149,000	-
Oldham VRU	-	32,000	32,000	-
Salford VRU	-	29,000	29,000	-
Bury VRU	-	5,775	5,775	-
Heywood VRU	-	10,000	10,000	-
Orbish	-	10,123	10,123	-
OHID Bury	-	18,049	18,049	-
OHID Rochdale	-	72,891	72,891	-
OHID B&D	-	21,060	21,060	-
OHID Oldham	-	21,000	21,000	-
Radcliffe Rotary Schools	-	5,250	5,250	-
Aris	-	5,000	5,000	-
Domestic Abuse	-	18,000	18,000	-
Miscellaneous grants, donations and income	12,707	-	12,707	20,782
	12,707	4,411,607	4,424,314	3,125,034

4. Expenditure on charitable activities

	Basis of allocation	Charitable activities £	Governance costs £	2023 Total funds £	2022 Total funds £
Costs directly allocated to activities					
Staff costs	Direct	2,494,950	-	2,494,950	1,680,967
Pension costs	Direct	132,972	-	132,972	84,589
Alternative therapies	Direct	-	-	-	23,369
Hygiene and office cleaners	Direct	11,140	-	11,140	6,351
Consultancy and advice	Direct	46,681	-	46,681	3,898
Promotion and advertising	Direct	8,870	-	8,870	6,671
Supervision	Direct	34,829	-	34,829	22,440
Training provision	Direct	8,280	-	8,280	8,786
Utilities	Direct	22,223	-	22,223	17,209
Travel expenses	Direct	49,392	-	49,392	26,015
Accountancy and audit fees	Direct	25,368	10,765	36,133	29,571
Doctor and medical fees	Direct	2,600	-	2,600	2,590
Printing, postage and stationery	Direct	54,026	-	54,026	14,139
Sundry running expenses	Direct	57,124	-	57,124	55,660
Health and safety	Direct	5,420	-	5,420	3,354
Recruitment costs	Direct	-	-	-	1,050
Property repairs and alterations	Direct	17,588	-	17,588	13,984
Telephone, internet and IT costs	Direct	67,486	-	67,486	104,302
Project work	Direct	466,082	-	466,082	436,354
Depreciation	Direct	14,082	-	14,082	12,112
Amortisation	Direct	1,635	-	1,635	3,244
Legal and professional fees	Direct	23,370	-	23,370	18,140
Bad debts	Direct	-	-	-	600
		3,544,118	10,765	3,554,883	2,575,395
Support costs allocated to activities					
Staff costs	Staff time	131,785	6,814	138,599	140,733
Pension costs	Staff time	7,197	364	7,561	7,742
Rent and rates	Floor area	93,985	-	93,985	60,257
Insurance	Floor area	17,906	-	17,906	17,328
Telephone, internet and IT costs	Staff time	102,353	-	102,353	31,104
		353,226	7,178	360,404	257,164
		3,898,527	16,760	3,915,287	2,832,559

5. Net income

This is stated after charging:	2023 £	2022 £
Amortisation and depreciation	15,717	15,356
Auditors' remuneration:		
Audit fees	10,765	8,700
Operating leases – land and buildings	93,985	60,257

6. Staff costs and numbers

Staff costs were as follows:	2023 £	2022 £
Salaries and wages	2,422,098	1,675,704
Social security costs	211,451	145,996
Pension contributions	140,533	92,331
	2,774,082	1,914,031

There were no redundancy costs in the year (2022: none).

One employee received emoluments between £60,001 and £70,000 during the year (2022: 1). The total employee benefits of the key management personnel of the charity were £236,780 (2022: £189,364).

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

	2023	2022
Management	4	4
Treatment, intervention, and outreach	97	65
Administration and support	3	5
	104	74

7. Pension costs

The charity operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £140,533 (2022: £92,331).

8. Trustees

The trustees have not received any remuneration or benefits or reimbursement of expenses during the year.

9. Tangible fixed assets

	Fixtures fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2022	108,283	2,000	110,283
Additions	5,110	-	5,110
At 31 March 2023	113,393	2,000	115,393
Depreciation			
At 1 April 2022	70,252	2,000	72,252
Charge for the year	14,082	-	14,082
At 31 March 2023	84,334	2,000	86,334
Net book value			
At 31 March 2023	29,059	-	29,059
At 31 March 2022	38,031	-	38,031

10. Intangible fixed assets

	Software £	Website £	Total £
Cost			
At 1 April 2022	26,995	7,250	34,245
Additions	-	-	-
At 31 March 2023	26,995	7,250	34,245
Amortisation			
At 1 April 2022	25,360	7,250	32,610
Charge for the year	1,635	-	1,635
At 31 March 2023	26,995	7,250	34,245
Net book value			
At 31 March 2023	-	-	-
At 31 March 2022	1,635	-	1,635

11. Debtors

	2023	2022
	£	£
Trade debtors	1,233,133	722,261
Other debtors	89,172	40,095
	1,322,305	762,356

12. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	61,371	94,271
Taxation and social security	50,299	42,082
Other creditors and accruals	53,384	72,748
Deferred income	501,234	720,898
	666,288	929,999

Deferred income represents income received in the year for specific expenditure which partly, or wholly, falls in a later period. The amount deferred at year end equates to the portion remaining to be spent at that point.

13. Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Equity instruments measured at cost less impairment, comprising cash at bank and in hand and trade debtors	2,160,223	1,952,299

	2023	2022
	£	£
Carrying amount of financial liabilities		
Equity instruments measured at cost less impairment, comprising creditors per note 12, but excluding deferred income, taxation and social security	114,755	167,019

14. Financial commitments

Photocopier:	2023 £	2022 £
Amount payable within the next year	-	6,696
Amount payable between 1 year and 5 years	-	-
Total payable over remaining duration of lease:	-	6,696

15. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:			
Intangible assets	-	-	-
Tangible assets	29,059	-	29,059
Net current assets	794,873	788,234	1,583,107
	823,932	788,234	1,612,166
Fund balances at 31 March 2022 were represented by:			
Intangible assets	1,635	-	1,635
Tangible assets	38,031	-	38,031
Net current assets	584,763	477,632	1,062,395
	624,429	477,632	1,102,061

16. Net cash (used in)/generated from operations

	2023 £	2022 £
Net movement in funds for the year	510,105	292,505
Adjustments for:		
Depreciation charged	14,082	12,112
Amortisation charged	1,635	3,244
Investment income received	(1,078)	(30)
Movements in working capital:		
Increase in debtors	(559,949)	(563,220)
(Decrease)/increase in creditors	(263,711)	600,531
Net cash (used)/generated	(298,916)	345,142

17a. Movements in funds for the year

	Balance 01.04.22	Income	Expenditure	Transfers	Balance 31.03.23
Restricted funds	£	£	£	£	£
Rochdale DAAT	6,698	300,000	(249,059)	(50,357)	7,282
Bury DAAT	3,006	196,179	(140,793)	(50,127)	8,265
Bury CCG (Mindfulness)	81,707	96,197	(117,874)	-	60,030
Bolton, Salford and Trafford	26,435	518,330	(382,716)	(95,955)	66,094
Bereavement Counselling	13,358	81,897	(55,797)	(6,000)	33,458
Bury Outreach	7,273	3,600	(2,653)	-	8,220
Anti-Bullying & Falinge Park High School	3,629	-	(760)	(2,869)	-
Public Health England	84,741	-	(74,010)	-	10,731
The Grand Trust	15,611	-	(15,380)	(231)	-
Rochdale Outreach	6,747	-	(3,048)	-	3,699
GM Housing First	-	117,138	(100,729)	(15,276)	1,133
Mentally Healthy Schools Bury	34,210	144,388	(105,549)	(4,623)	68,426
Mentally Healthy Schools Rochdale	11,702	44,858	(37,252)	(3,855)	15,453
Oldham	51,253	599,216	(603,641)	(46,222)	606
The Getting Helpline	25	158,638	(105,051)	(51,795)	1,817
Trafford Outreach	10,633	-	(2,841)	-	7,792
BBST	42,646	252,833	(116,864)	(17,420)	161,195
Blackburn with Darwen	(4,055)	301,877	(213,392)	(28,171)	56,259
Cardinal Langley	-	7,056	(4,759)	-	2,297
CCG Bury	(952)	263,913	(231,393)	(31,568)	-
Closing The Gap Group Work	6,363	-	(2,074)	-	4,289
Ingeus	2,807	147,865	(117,487)	(21,215)	11,970
Pathfinder	(78)	105,972	(98,905)	(6,645)	344
Rochdale CCG (Closing The Gap)	-	102,631	(82,185)	(9,200)	11,246
Rochdale – Universal Funding	11,851	6,706	(15,655)	(2,902)	-
Rochdale VRU	4,847	31,500	(21,985)	(1,750)	12,612
Salford Outreach	1,509	-	(1,724)	215	-
Salford Social Care	-	38,027	(29,240)	(8,787)	-
Thrive Rochdale	37,539	129,948	(85,435)	(15,868)	66,184
Trauma Informed	(69)	82,692	(47,414)	(2,443)	32,766
Trauma Responsive	8,145	12,818	(6,010)	-	14,953
VCSE Navigator	8,686	193,968	(165,201)	(37,453)	-
Vol & Comm Grant	1,361	15,063	(11,862)	(4,562)	-
Streetwise	-	61,149	(51,995)	-	9,154
Oldham CSC	-	149,000	(130,794)	(5,477)	12,729
Oldham VRU	-	32,000	-	-	32,000
Salford VRU	-	29,000	(16,620)	-	12,380
Bury VRU	-	5,775	(2,842)	(394)	2,539
Heywood VRU	-	10,000	(2,269)	-	7,731
Orbish	-	10,123	(10,075)	(48)	-
OHID Bury	-	18,049	(9,469)	(1,108)	7,472
OHID Rochdale	-	72,891	(58,524)	(1,827)	12,540

17a. Movements in funds for the year

Continued	Balance 01.04.22	Income	Expenditure	Transfers	Balance 31.03.23
	£	£	£	£	£
OHID B&D	-	21,060	(15,522)	(5,355)	183
OHID Oldham	-	21,000	(32)	-	20,968
Radcliffe Rotary Schools	-	5,250	(1,835)	-	3,415
Aris	-	5,000	-	(5,000)	-
Domestic Abuse	-	18,000	(12,459)	(5,541)	-
Other funds	4	-	(118)	114	-
Restricted funds	477,632	4,411,607	(3,561,292)	(539,713)	788,234
Unrestricted funds	624,429	13,785	(353,995)	539,713	823,932
Total funds	1,102,061	4,425,392	(3,915,287)	-	1,612,166

Within unrestricted funds are funds totalling £60,147 (2022: £67,887) which have been designated by the trustees for specific purposes (see note 18).

Transfers shown between restricted and unrestricted funds in notes 17a and 17b generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally, transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 18.

Further information about restricted funds and designated funds is provided in note 18.

17b. Movements in funds for the prior year (for comparison purposes)

	Balance at 01.04.21	Income	Expenditure	Transfers	Balance at 31.03.22
Restricted funds	£	£	£	£	£
Rochdale DAAT	-	300,000	(242,945)	(50,357)	6,698
Bury DAAT	5,244	196,200	(145,311)	(53,127)	3,006
Bury CCG (Mindfulness)	29,326	109,797	(47,028)	(10,388)	81,707
Bolton, Salford and Trafford	5,384	518,330	(393,141)	(104,138)	26,435
Bereavement Counselling	5,469	36,578	(22,689)	(6,000)	13,358
Bury Outreach	-	7,500	(5,325)	5,098	7,273
Anti-Bullying & Falinge Park High School	29,593	-	(24,712)	(1,252)	3,629
Public Health England	61,960	120,500	(97,719)	-	84,741
The Grand Trust	27,530	25,000	(34,221)	(2,698)	15,611
CHK Foundation	8,650	20,000	(17,553)	(11,097)	-
Rochdale Outreach	5,672	120	(1,045)	2,000	6,747
Barnardos Phase 2	1,349	-	(1,247)	(102)	-
FLAME	6,373	-	(3,279)	(3,094)	-
GM Housing First	(675)	114,331	(98,480)	(15,176)	-
Hopwell Hall College	119	-	(119)	-	-
Mentally Healthy Schools Bury	18,013	91,732	(68,458)	(7,077)	34,210
Mentally Healthy Schools Rochdale	9,143	43,316	(36,902)	(3,855)	11,702
Peer Mentoring	4	-	-	-	4
Oldham	(3,208)	599,244	(470,969)	(73,814)	51,253
Salford Steer	17,129	-	(15,672)	(1,457)	-
The Getting Helpline	7,893	158,813	(126,280)	(40,401)	25
Trafford Outreach	4,905	9,500	(3,772)	-	10,633
Youth Endowment	27,193	12,251	(31,929)	(7,515)	-
BBST	-	136,667	(81,293)	(12,728)	42,646
Blackburn with Darwen	-	-	(4,055)	-	(4,055)
Cardinal Langley	-	12,096	(11,096)	(1,000)	-
CCG Bury	-	166,025	(157,945)	(9,032)	(952)
Closing The Gap Group Work	-	8,430	(116)	(1,951)	6,363
Ingeus	-	22,667	(16,324)	(3,536)	2,807
Pathfinder	-	-	(78)	-	(78)
Rochdale CCG (Closing The Gap)	-	53,821	(42,211)	(11,610)	-
Rochdale – Universal Funding	-	33,295	(17,554)	(3,890)	11,851
Rochdale VRU	-	15,500	(8,903)	(1,750)	4,847
Salford Outreach	-	4,550	(3,041)	-	1,509
Salford Social Care	-	38,027	(30,681)	(7,346)	-
Thrive Rochdale	-	86,632	(41,217)	(7,876)	37,539
Trauma Informed	-	-	(69)	-	(69)
Trauma Responsive	-	8,145	-	-	8,145
VCSE Navigator	-	64,656	(46,460)	(9,510)	8,686
Vol & Comm Grant	-	15,063	(11,772)	(1,930)	1,361
Restricted funds	267,066	3,028,786	(2,361,611)	(456,609)	477,632
Unrestricted funds	542,490	96,278	(470,948)	456,609	624,429
Total funds	809,556	3,125,064	(2,832,559)	-	1,102,061

Within unrestricted funds are funds totalling £67,887 (2021: £44,643) which have been designated by the trustees for specific purposes (see note 18).

18. Information about restricted and designated funds

Restricted funds:

Rochdale and Bury DAAT - Ongoing payments in relation to our DAAT contract and various projects, such as Holding Families (family parental substance misuse focused work).

Bury CCG (Mindfulness) - For mindfulness work in Bury.

Emotional Wellbeing - For a post held in Rochdale in relation to 'Emotional Health and Well Being'.

Bolton, Salford and Trafford – Contract to deliver specialist young person and families substance misuse service.

Bereavement Counselling – Bereavement and loss counselling for young people in Bury.

Bury and Rochdale Outreach – Street base outreach work with young people.

Anti-Bullying & Falinge Park High School – Deliver a pilot with local high schools to work specifically with young people who are perpetrators of bullying to work to combat bullying in the school environment.

Public Health England – Holding Families Plus Project; partnership work with Rochdale Council, GMMH, One Plus One, Manchester Metropolitan University to work with families with parental alcohol misuse.

The Grand Trust – Funds towards costs incurred for the Holding Families, SIF and Henry Smith projects.

CHK Foundation – For the direct intervention with young people to address alcohol and drug misuse.

Rochdale WEA – For a dedicated worker in each of Bury and Rochdale to act alongside programmes in both areas to broaden the response to young people on the edge of gang related and weapon related crime in the area.

Rochdale MBC Alcohol Exposed Pregnancy – Support for women struggling with alcohol use during their pregnancy.

Barnardos Phase 1/Phase 2 – For group support sessions and education re-integration.

FLAME – To support mental health in family life and managing emotions group for young people in Bury

GM Housing First – To support people facing difficulties in finding and sustaining suitable accommodation.

Hopwell Hall College – To support the emotional health and wellbeing of pupils.

Lottery – To offer brief emotional health and wellbeing intervention to young peoples during the pandemic.

Mentally Healthy Schools Bury and Rochdale – For dedicated workers to support mental health in the school environment.

Oldham - Delivering an integrated young person's sexual health and substance misuse service.

Salford Steer – For a dedicated worker to work alongside Salford Foundation's STEER workers to provide intervention with young people to address alcohol and drug misuse.

The Getting Helpline – To provide a telephone support line to those experiencing low level emotional/mental health difficulties.

Trafford Outreach – Street base outreach work with young people.

Youth Endowment – For the direct intervention with young people to address legal and illegal drug misuse.

BBST - Contract to deliver specialist young person and families substance misuse service.

Blackburn with Darwen - To deliver the young people and families treatment services as part of the all age substance misuse service in Blackburn with Darwen

Cardinal Langley- Project offering 2 days / week emotional health and wellbeing support based in school setting (school directly funded).

CCG Bury- Emotional health and wellbeing support 1:1 to young people aged 14-16 (Streetwise) and 16- 25 (Closing the Gap).

18. Information about restricted and designated funds (continued)

Closing the Gap Group Work- Lets do it! Bury local authority funded group work for CYP aged 16-25.

Ingeus - Contract to support NEET and hidden NEET young people into education, training or employment.

Pathfinder- To offer solution focused support to young people around housing, maintenance of tenancies and independent living.

Rochdale CCG (Closing the Gap)- Emotional health and wellbeing 1:1 work for 16-25 years olds in Heywood, Middleton and Rochdale.

Rochdale – Universal Funding – Substance Use Worker Rochdale complex safeguarding.

Rochdale VRU – Young person worker 2 days Rochdale.

Salford Outreach - Street-based Outreach work for young people.

Salford Social Care - Contract to deliver specialist substance misuse work in Salford.

Thrive Rochdale- Emotional health and wellbeing support for CYP stepped down from Rochdale CAMHS (1:1).

Trauma Informed- Evidence based trauma-therapy delivered to those 18+ in exploring the impact of adverse traumatic experiences on mental health substance use and recovery.

Trauma Responsive- Systems development work supporting Bury and Salford VCSE groups to develop their trauma-responsiveness.

VCSE Navigator - Contract as lead provider to deliver direct and subcontracted support to young people who have revised a CAMHS intervention.

Vol & Comm Grant – One HF+ family worker 4 days Rochdale.

Oldham CSC – Emotional health and wellbeing support with those young people who are looked after by Oldham local authority, providing one-to-one and group interventions with children, young people, their families and carers.

Oldham VRU – A 'Specialist Young Persons worker' to support young people with substance related issues and on the periphery or involved with violence. The work is trauma responsive and works on a continuum of need from prevention through to behaviour change.

Salford VRU – This offer is 0.6 to work with children affected by parental substance misuse and 0.2 leadership to oversee leadership across the team and support with case reviews and PDP's.

Bury VRU - Young person family worker for two days in Bury East and Moorside.

Heywood VRU – A 'Specialist Young Persons worker' to support young people with substance related issues and on the periphery or involved with violence. The work is trauma responsive and works on a continuum of need from prevention through to behaviour change.

Orbish – To support the delivery and development of the sexual health services across Oldham, Rochdale and Bury by recruiting young people to ascertain services users experience to improved future service delivery.

OHID Bury/Rochdale – The funding will provide a 0.4 trainer to work centrally for training development of the workforce, a 1WTE to work with young substance users, a 1WTE to work with children affected by parental substance misuse and 1WTE to be used to provide a transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID B&D - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality. The funding will also be used to provide a 1WTE transitional worker supporting young substance users transitioning between adult and young people's services and educational establishments.

OHID Oldham - The funding will be used to provide 1WTE a Family workers for the Holding Families+ team. This post will work families effected by trauma substance uses and criminality.

Radcliffe Rotary Schools – Fully qualified therapist within a primary school.

18. Information about restricted and designated funds (continued)

Aris - Early Break provide training and support to professionals mentoring young people who are exposed to criminal exploitation. Where there is a substance related need Early Break will ensure young people and their familiar receive access to the appropriate services.

Domestic Abuse - Early Break will provide therapeutic support to children and young people effected by domestic abuse. Children will be assessed and will receive care planned interventions. Outcomes will be measured and the impact of the interventions will be reported on in quarterly reporting.

Rochdale WEC – Mental health support in Rochdale.

Designated funds:

The trustees have set aside £120,944 of unrestricted funds to support a variety of projects and activities, including voice to voice roles (£24,000) and CYB Bolton (£26,723). The total designated at the previous year end was £67,887.

19. Related party transactions

No related party transactions have taken place during the year (2022: none).

EARLY BREAK

England & Wales - Charity number 1072052

Accounts

EARLY BREAK

FINANCIAL STATEMENTS

31 MARCH 2022

Registered Charity No: 1072052
Registered Company No: 03320039

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

EARLY BREAK

CONTENTS

	PAGE
Report of the Trustees/Directors	1 – 6
Independent Auditors' Report	7 – 9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Accounts	13 – 27

REPORT OF THE TRUSTEES/DIRECTORS

The trustees present their annual report and the financial statements for the year ended 31 March 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 charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Reference and administrative information

Trustees/Directors	Tracy Hill (Chair of Trustees) Lydia Edgar Stephen Marley Katharine Shethwood Louise Sell Karen Whitehead Howard Millington Karen Dolton
Chief Executive and Company Secretary	Vicky Maloney
Registered Office and Operational Address	Annara House 7-9 Bury Road Radcliffe Manchester
Auditors	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank plc 17 Bank Street Rawtenstall Rossendale Lancashire
Solicitors	DWF LLP Bridgewater Place Water Lane Leeds

Structure, governance and management

Governing document

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997. As such it has no share capital and, in the event of the charity being wound up, the members are required to contribute a sum not exceeding £10. The company was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association.

The registered charity number is 1072052. The registered company number is 03320039.

Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, are as listed on page 1. As the company is limited by guarantee, the trustees have no share capital interests. In the event of a winding up of the company they would be expected to contribute a maximum of £10 each.

The trustees give their time freely and none received any remuneration or benefits during the year.

Trustee recruitment, appointment, induction and training

The trustees are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The trustees demonstrate a range of experience and skills. The charity is keen to recruit more trustees and each member of the Management Committee has a responsibility to explore recruitment possibilities. In normal times new trustees are invited and encouraged to shadow workers and attend training and residential sessions and to familiarise themselves with the charity and the context within which it operates. In addition, specifically focused meetings/training events occur throughout the year on: the roles and responsibilities of trustees; the main documents which set out the operational framework for the charity, including the Memorandum and Articles; resourcing and the current financial position as set out in the latest published accounts; business planning.

A designated trustee participates in the recruitment and selection process to appoint new workers to the service, usually where the role is one of seniority.

The Board has undertaken a robust skills audit and has set out its plans on deepening the training and shadowing experiences of its members in the year 2021-22 including specific sessions on Board relationships, Equality and Diversity and horizon scanning on business planning as group.

Risk Management

Early Break has an ongoing risk register to manage the risk for the charity, the key features of which are outlined below and are reviewed on a bi-monthly basis by the Senior Leadership Group. They are reported on in varying forms bi-monthly to the full Board. The risks are reflective of the aforementioned, and newly reviewed for the years 2022-2025, Early Break Business Plan. The last year has continued to put a different mix of pressures on the organisation as we have navigated the financial, emotional, practical and real risks COVID, cost of living and tumultuous political landscape have presented for us all. Staff and Board are to be commended in their flexibility, tenacity, child centredness and "can do" in offering our services at this time.

Risks identified and managed are:

1. **Short-term funding cannot be renewed, core funding will be depleted and new sources cannot be found and/or there are cuts to statutory funds, increasing competition and forcing Early Break to downsize/make redundancies and lose capacity.**

Mitigation

We continue to maintain good relationships, deliver our targets and outcomes and report to SMART principles with all of our current donors/funders. This should continue to support renewed contracts and potential for mainstreaming of current non-recurrent funding. Our business plan covers three key areas of family work, substance use and mental health to ensure no over reliance on one current area of activity. We accept as a charity some of the short term funding is a means to "testcase" or pilot new workstream. This is underpinned by our work with the VRU (Violence Reduction Unit) arrangements and in working alongside commissioning plans for the new OHID (Office for Health Improvement and Disparities) the service continually seeks to build our reserves so we can align our activity to commissioning plans for any "bridging" of staffing as required.

2. **Our service standards do not meet our own or local, regional and national expectations, e.g. poor feedback from service users, indicating poor outcomes for young people and their families, increasing risks for contracts/funding and a negative impact on our reputation.**

Mitigation

We have confidence and a strong track record in delivering high service standards with increased scrutiny. This is rooted in strong performance management at every level of service and a high challenge/high support culture within our workforce. Where demand has increased year on year in our mental health offers we have worked with strategic leads to problem solve at all levels including engagement in GM Leadership and alongside NHS Trust arrangements. The direction of travel for emotional wellbeing and substance use is increasingly underpinned by supportive strategic direction and a marked shift of support to engage the sector in service delivery as our NHS colleagues face their own public reform and review. We have ensured our audit cycle and sharing this with our Board demonstrates the scrutiny required to know our strengths and areas for improvement. Young people's voice is key to amplify for us in what works and we have been delighted to be able to employ three young people in the coming year on our Voice to Voice work where they will directly understand and give a steer to what needs to improve, rooted in their experienced lens.

3. **The charity is unable to respond to and influence the changing external political, funding and health and social care environment.**

Mitigation

The current Senior Leaders have a recognised strategic presence and are well networked locally, through LA level and GM structures and through focussed national arenas. In our proposed Board assessment and training, we will continue to look at their role and Terms of Reference and ensure that they contribute to this agenda as ambassadors and networkers. Early Break endeavours to ensure the voice of the child in appropriate forums, as outlined in our service user policy and the named opportunities for this. The charity has engaged in national research in the last year on behalf of PHE to further embed the experiences of our children and families. Senior Leaders have taken up roles across GM, raising opportunity to influence in Complex Safeguarding and Violence Reduction work. The volatility of COVID has challenged planning at all levels in health and social care. We expect to ensure our representation in the proposed ICS arrangements going forward as these embed our recent new business planning giving consideration across the political landscape as to where the opportunities and challenges lie for Early Break.

4. **We do not have sufficient financial arrangements, processes, protocols and infrastructure in place to ensure the smooth running of the charity, avoid fraud and meet the requirements of the Charity Commission.**

Mitigation

We have a robust annual, external audit which highlights concerns and areas for improvement, which are signed off by the Board and monitored. We have external management accounts reviewed by SLT and have embedded the Charity Commission Financial Control Checklist and Finance Manual in our practice, reviewed year on year. Finance is systematically reported and shared with the Board, allowing for planning at all levels. The charity has reviewed its processes in line with the internal audit process agreed in Clinical governance. Additional to this, we have, alongside our management accountant, looked at the ways to outline our "bottom line" on a monthly basis when annual budgeting has to account for new monies entering the charity at varying points in the year. Additionally, we have further developed our payment systems to be entirely online which supports our carbon literacy and "green" policy through use of Dext prepare/Approval Max.

5. Association with high level safeguarding and/or serious untoward incidents.

Mitigation

Early Break has robust externally audited safeguarding/child protection/SUI policies and protocols in place and all staff are fully inducted and trained in these areas. All staff complete enhanced DBS checks which are renewed regularly. We have an experienced SLT, including a designated safeguarding role and appropriate trained deputies. An escalation process is embedded in practice and a risk and review cycle and dissemination of learning procedure is in place. We have an appointed H&S lead and oversight of a risk assessment culture. The service completes a Section 11 audit annually and has also completed the Children England Safeguarding audit for Charity Trustees. Additional to this are external audits from CCG arrangements and internal audit of "voice of the child". A robust staff induction and access to safeguarding training has supported this. Competency and rigorous case review processes support staff identification and responsiveness to safeguarding, ensuring we are confident that work we do is for the right cause and done in a timely and ethical manner.

6. Adverse media impacting negatively on Early Break reputation.

Mitigation

Early Break carefully considers any engagement with the media, as outlined in our robust social media policy with clear delineation on contacts. We have internal sign off on all press releases and monitor our social media accounts underpinned by policy and governance. Staffing and external contracts and workforce conduct are outlined in relevant policies. The service is reviewing its social media role and associated personnel in the coming year so we are vocal in celebrating our work and managing effectively any attempts to derive salacious enquiry on the lives of our clients.

7. Breaches in data protection and Information Governance regulation, impacting on service reputation and safety of young people.

Mitigation

We continue to have robust Information Governance and Data Protection policies and procedures in place, in line with ICO and NHS contract criteria. All staff have received and continue to receive ongoing training. Data specific audits are embedded, including cyber fraud and GDPR practice. The service has a named Data Controller. As always, our focus will be in keeping children and families safe and thriving, focusing on prevention where we can, to support the reduction of presentation in expensive arenas of public sector offers. We have recognized the threat of Cyber Fraud and have completed the process for Cyber Essential plus. Additionally, we are increasing our paperless processes that include Dext Prepare in finance matters, HR Breathe and additionally the introduction of Formstack in the coming year again to underpin data security and support our "green" ambition.

Objectives and activities

The charity is established to provide the relief of sickness and the preservation of good health of young people who use legal and illegal substances by the provision of counselling, support and treatment services for such persons and their families; the provision of support and advocacy services to vulnerable young people and their parents/carers; the provision of residential care to vulnerable young people where substance misuse is a factor in creating their vulnerability; the provision of services to families whose lives are adversely affected by a parent/carer/adult family member's substance misuse; to advance research into the use of substances by young people and to disseminate the results of such research; to advance the education of the public, in particular young substance users and misusers, and the professionals and organisations who come into contact with such persons, providing appropriate training, advice and consultancy services and information and resources. To promote the physical and mental health and wellbeing of young people and their families in particular but not exclusively by providing advice and information and raising awareness.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do.

Review by the Chair of Trustees of developments, activities and achievements and of future prospects and plans

Early Break has had to continually navigate and address its journey, offer of support and staff welfare in the shadow of the global pandemic. The pandemic has created immense organisational and personal strains and stresses that cannot be underestimated and we face increasing uncertainty on the cost of living as a charity and, in responding to this, addressing the welfare of our staff as well as our service beneficiaries.

We recognise that we have sought to build reserves to offer some longer term security to the charity and it is our intention to build on this further as we navigate strategic planning across substance misuse, mental health and family offers within the post Brexit arena and with strategic change in ICS models.

We particularly welcome the outcomes from the Dame Carol Black Review on substances where, as a national offer, there has been no investment now for over 15 years and the volume of drug related deaths is a sad testament to this. Additional to this are how the emerging evidence on the impact of mental health has affected young people throughout COVID and what this means in the long term. We have enjoyed the PHE work and the evaluations demonstrate the complex systems that impact on our families and what is required for last change and recovery. Clearly lacking whole family approaches and a trauma lens to what families need has been uncovered time and time again and our commitment to offering this is unfaltering.
We have much to build on in creating trauma informed systems for children and families whilst working against the tide of increased poverty and lack of access in health and social care as our statutory partners face their own challenges.

From a Board perspective we have undertaken learning from COVID on what we will carry forward with us and what we will leave behind and as always bring this professional curiosity to bed in a secure financial future for Early Break.

We continue to have monthly internal finance meetings, during which we scrutinise the figures and budgets to track the "bottom line". We are confident in our processes and we have again in best practice reviewed the financial systems in line with the charity commission guidance. We continue to have high levels of staff retention and low sickness rates but it is not to take a complacent stance on this. We believe that the new investment in substance services means the upskilling of a workforce that needs rebuilding on a national scale at the same time as applying the same upskilling in our mental health teams. We are further on in imbedding our Equality and Inclusion work and look set to complete the Rainbow Flag award in the coming year and our intention in the coming year to build a deeper understanding of the equality, inclusion and diversity needs of our workforce and those we serve, in line with our values and the global conversations on inclusion.

Our reviewed business plans are strong for the charity but are reliant on a multitude of moving dynamics as always, including the workforce market and how the cost of living will impact on choices of people to remain within the charity sector. To support thinking, we have included our consideration of risk for Early Break in this report.

Financial information

Income and expenditure:

- Income increased by £948k. This has mainly been due to extension of mental health offers and renewed funding from the Dame Carol Black review in strengthening substance services. There was an increase of £966k in expenditure on charitable activities.
- The split of our income has shifted in 21/22 towards emotional health and wellbeing, having previously been weighted heavily towards substance misuse contracts, reflecting the impact of our broader offer and established credibility meeting commissioning needs.

Funds:

- Reserves increased for a fourth consecutive year. Unrestricted funds at the year end amounted to £624,429 (2021: £542,490), of which £67,887 was designated for use mainly on Streetwise projects in the coming year (2021: £44,643). Restricted funds amounted to £477,632 (2021: 267,066), available for work on specific projects determined by the grant-maker.
- Free reserves at the year end amounted to £516,876 (2021: £469,623).

We aim to carry a level of free reserves which would enable us to cover a full year's normal expenditure, including management, premises and administration costs which are allocated against restricted funds under normal circumstances. This is, of course, subject to annual review and considers our reinvestment back into the charity.

We are still working with intent on a slow growth to reserves but with a key priority to grow leadership within the service for quality oversight of the range of bids, grants and contracts that are making up the service offer. We have a strong Board who are committed and switched on to the challenges we face. This coming year will see them develop and strengthen as a team even further as we continue Board training and embed the newly reviewed business plan for 2022 start. It is our belief that our reserves policy remains appropriate to the organisational context and the broad Charity Commission guidance issued in January 2016, Document Charity Reserves: Building Resilience, which stresses there is "no single level, or even a range of, reserves that is right for all charities".

Responsibilities of the trustees

Company law requires the directors of the charity (namely the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming and outgoing resources for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make proper judgements and estimates that are reasonable and prudent;
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

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

Further, the trustees are responsible for preparing their trustees' report which should disclose the legal and administrative details of the charity and contain a narrative report explaining the organisation's objects, a review of the development, activities and achievements of the charity during the period and of its financial performance and position.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

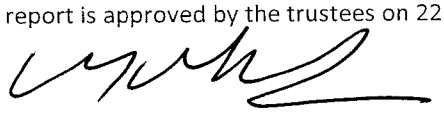
Auditors

A resolution for the reappointment of Barlow Andrews LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice.

This report is approved by the trustees on 22 September 2022 and signed on its behalf by



Vicky Maloney
Chief Executive and Company Secretary

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EARLY BREAK

Opinion

We have audited the financial statements of Early Break for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 March 2022 and of its incoming resources and application of resources 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 Companies Act 2006.

Basis of 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 financial statements 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 financial statements 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 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 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.

Opinion 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of Early Break for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

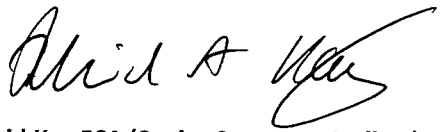
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect that those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 members as a body, for our audit work, for this report, or for the opinion we have formed.



David Kay FCA (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP

Chartered Accountants and Statutory Auditors
Carlyle House, 78 Chorley New Road, Bolton

22 September 2022

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

	Notes	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total Funds £	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total Funds £
Income:							
Investment income		30	-	30	238	-	238
Income from charitable activities							
Treatment and intervention and outreach work	3	96,248	3,028,786	3,125,034	85,290	2,091,582	2,176,872
Total income		96,278	3,028,786	3,125,064	85,528	2,091,582	2,177,110
Expenditure on:							
Charitable activities	4	470,948	2,361,611	2,832,559	362,956	1,503,131	1,866,087
Total expenditure		470,948	2,361,611	2,832,559	362,956	1,503,131	1,866,087
Net income for the year	5	(374,670)	667,175	292,505	(277,428)	588,451	311,023
Transfers between funds	17	456,609	(456,609)	-	446,222	(446,222)	-
Net movement in funds		81,939	210,566	292,505	168,794	142,229	311,023
Funds balances brought forward		542,490	267,066	809,556	373,696	124,837	498,533
Funds balances carried forward	17	624,429	477,632	1,102,061	542,490	267,066	809,556

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses recognised in the year. All of the charity's activities are classed as continuing.

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	10	1,635	4,879
Tangible assets	9	38,031	23,345
		39,666	28,224
Current assets			
Debtors	11	762,356	199,136
Cash at bank and in hand		1,230,038	911,664
		1,992,394	1,110,800
Creditors: amounts falling due within one year	12	929,999	329,468
Net current assets		1,062,395	781,332
Net assets		1,102,061	809,556
Funds			
Unrestricted funds	17	624,429	542,490
Restricted funds	17	477,632	267,066
Total funds		1,102,061	809,556

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved by the board on 22 September 2022 and signed on its behalf by:

Tracy Hill
Trustee

Company registration number: 03320039

EARLY BREAK

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Net cash generated from operating activities	16	345,142	366,533
Investing activities			
Purchase of fixed assets		(26,798)	(13,219)
Investment income		30	238
Increase in cash and cash equivalents in the year		318,374	353,552
Cash and cash equivalents brought forward		911,664	558,112
Cash and cash equivalents carried forward		1,230,038	911,664

1. Accounting policies

Charity information

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997 in England and Wales. The registered office is Annara House, 7-9 Bury Road, Radcliffe.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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 charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Preparation of the accounts on a going concern basis

The charity's unrestricted funds decreased significantly prior to the year ended 2019 following the loss of some key funding. As a result, steps were taken to reduce costs and, at the same time, to secure new funding sources, both of which appear to have had a positive impact, with increases to unrestricted funds in subsequent years.

At the time of approving the financial statements, the trustees have a reasonable expectation that with these measures in place the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

1.4 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably.

Revenue grants, including both restricted and unrestricted funding, are included in the year in which they are receivable. If they relate to a specified future period they are deferred accordingly.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

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

1.5 **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services, including grants administration. The support costs associated with delivery of these activities and services is also included.

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

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities. They are allocated to the activity cost categories on bases consistent with the use of the resources, as set out in note 4.

1.6 **Transfers**

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees as explained in note 18.

1.7 **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on tangible fixed assets, purchased from unrestricted funds, at rates calculated to write off the cost of each asset over its estimated useful life, taking into account estimated residual value, as follows:

Motor vehicles	-	20% on cost per annum
Fixtures, fittings and equipment	-	$33^{1}/_{3}$ % on cost per annum

Any tangible fixed assets purchased using restricted funds are depreciated over the length of the grant period.

1.8 **Intangible fixed assets**

Intangible fixed assets comprise of application software and database software developed externally. The application software is defined as having a finite useful life and the costs are to be amortised on a straight line basis over the estimated useful life of 5 years, beginning when the development is complete, and the app is in use. The database software and redesign of the website are being amortised at 33.33% as the charity believes this best represents the useful lives of the assets.

Intangible fixed assets are reviewed for impairment whenever there is an indication that the carrying value may be impaired. They are recognised at cost less accumulated amortisation and accumulated impairment losses.

1.9 **Pensions**

The company operates a defined contribution scheme for its employees administered by Aegon. The assets of the scheme are held separately from those of the charity. The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10 **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 **Operating leases**

Operating lease rentals, including property rents, are charged to the Statement of Financial Activities in the period to which they relate.

1.12 **Debtors**

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

1.13 **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.14 **Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income included in the year in creditors or received into the bank, but which relates to a subsequent period, such as a grant relating specifically to a future period, is recognised in the Statement of Financial Activities of that period.

1.15 **Financial instruments**

The charity 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 charity's balance sheet when the charity 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 and 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, which include trade and other creditors, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as receivable within one year are not amortised.

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income from charitable activities	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Treatment, intervention & outreach work				
Rochdale DAAT	-	300,000	300,000	300,000
Bury DAAT	-	196,200	196,200	196,200
Bereavement Counselling	-	36,578	36,578	35,654
Bury Outreach	-	7,500	7,500	-
Emotional Wellbeing (SIF)		-	-	20,183
Bury CCG	-	109,797	109,797	93,798
Bolton, Salford and Trafford	-	518,330	518,330	518,330
Streetwise	75,466	-	75,466	63,365
42nd Street	-	-	-	15,715
Anti-Bullying & Falinge Park High School	-	-	-	36,000
Public Health England	-	120,500	120,500	217,891
The Grand Trust	-	25,000	25,000	63,973
CHK Foundation	-	20,000	20,000	30,000
Weapon Enabled Crime	-	-	-	38,029
Rochdale WEA	-	-	-	23,333
Barnardos Phase 1	-	-	-	57,600
Barnardos Phase 2	-	-	-	23,680
FLAME	-	-	-	6,930
GM Housing First	-	114,331	114,331	21,139
Hopwell Hall College	-	-	-	12,996
Lottery	-	-	-	62,710
Mentally Healthy Schools Bury	-	91,732	91,732	33,977
Mentally Healthy Schools Rochdale	-	43,316	43,316	24,802
Peer Mentoring	-	-	-	15,000
Rochdale Outreach	-	120	120	7,675
Salford Steer	-	-	-	32,272
The Getting Helpline	-	158,813	158,813	162,036
Trafford Outreach	-	9,500	9,500	4,905
Youth Endowment	-	12,251	12,251	36,754
Oldham	-	599,244	599,244	-
BBST	-	136,667	136,667	-
Cardinal Langley	-	12,096	12,096	-
CCG Bury	-	166,025	166,025	-
Closing The Gap Group Work	-	8,430	8,430	-
Ingeus	-	22,667	22,667	-
Rochdale CCG (Closing The Gap)	-	53,821	53,821	-
Rochdale – Universal Funding	-	33,295	33,295	-
Rochdale VRU	-	15,500	15,500	-
Salford Outreach	-	4,550	4,550	-
Salford Social Care	-	38,027	38,027	-
Subject Matter Experts	4,250	-	4,250	-
Thrive Rochdale	-	86,632	86,632	-
Trauma Responsive	-	8,145	8,145	-
VCSE Navigator	-	64,656	64,656	-
Vol & Comm Grant	-	15,063	15,063	-
Miscellaneous grants, donations and income	16,532	-	16,532	21,925
	96,248	3,028,786	3,125,034	2,176,872

4. Expenditure on charitable activities

	Basis of allocation	Charitable activities £	Governance costs £	2022 Total funds £	2021 Total funds £
Costs directly allocated to activities					
Staff costs	Direct	1,680,967	-	1,680,967	1,181,105
Pension costs	Direct	84,589	-	84,589	69,115
Alternative therapies	Direct	23,369	-	23,369	12,087
Hygiene and office cleaners	Direct	6,351	-	6,351	4,487
Consultancy and advice	Direct	3,898	-	3,898	25,020
Promotion and advertising	Direct	6,671	-	6,671	4,214
Supervision	Direct	22,440	-	22,440	20,423
Training provision	Direct	8,786	-	8,786	4,310
Utilities	Direct	17,209	-	17,209	12,707
Travel expenses	Direct	26,015	-	26,015	7,688
Accountancy and audit fees	Direct	20,871	8,700	29,571	24,188
Doctor and medical fees	Direct	2,590	-	2,590	2,680
Printing, postage and stationery	Direct	14,139	-	14,139	11,922
Sundry running expenses	Direct	55,660	-	55,660	23,066
Health and safety	Direct	3,354	-	3,354	991
Recruitment costs	Direct	1,050	-	1,050	-
Property repairs and alterations	Direct	13,984	-	13,984	8,449
Computer software, consumables and licences	Direct	104,302	-	104,302	55,698
Project work	Direct	436,354	-	436,354	110,720
Depreciation	Direct	12,112	-	12,112	13,825
Amortisation	Direct	3,244	-	3,244	4,574
Legal and professional fees	Direct	18,140	-	18,140	15,028
Bad debts	Direct	600	-	600	-
		2,566,695	8,700	2,575,395	1,612,297
Support costs allocated to activities					
Staff costs	Staff time	133,658	7,075	140,733	146,462
Pension costs	Staff time	7,358	384	7,742	5,825
Rent and rates	Floor area	60,257	-	60,257	46,739
Insurance	Floor area	17,328	-	17,328	16,177
Telephone and internet	Staff time	31,104	-	31,104	38,587
		249,705	7,459	257,164	253,790
		2,816,400	16,159	2,832,559	1,866,087

5. Net income

This is stated after charging:	2022 £	2021 £
Amortisation and depreciation	15,356	18,399
Auditors' remuneration:		
• Audit fees	8,700	7,344
Operating leases – land and buildings	60,257	46,739

6. Staff costs and numbers

Staff costs were as follows:	2022 £	2021 £
Salaries and wages	1,675,704	1,222,331
Social security costs	145,996	105,236
Pension contributions	92,331	74,940
	1,914,031	1,402,507

There were no redundancy costs in the year (2021: none).

One employee received emoluments between £60,001 and £70,000 during the year (2021: 1). The total employee benefits of the key management personnel of the charity were £189,364 (2021: £176,466).

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

	2022	2021
Management	4	3
Treatment, intervention, and outreach	65	47
Administration and support	5	4
	74	54

7. Pension costs

The charity operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £92,331 (2021: £74,970).

8. Trustees

The trustees have not received any remuneration or benefits or reimbursement of expenses during the year.

9. Tangible fixed assets

	Fixtures fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2021	81,485	2,000	83,485
Additions	26,798	-	26,798
Disposals	-	-	-
At 31 March 2022	108,283	2,000	110,283
Depreciation			
At 1 April 2021	58,140	2,000	60,140
Charge for the year	12,112	-	12,112
Eliminated on disposals	-	-	-
At 31 March 2022	70,252	2,000	72,252
Net book value			
At 31 March 2022	38,031	-	38,031
At 31 March 2021	23,345	-	23,345

10. Intangible fixed assets

	Software £	Website £	Total £
Cost			
At 1 April 2021	26,995	7,250	34,245
Additions	-	-	-
At 31 March 2022	26,995	7,250	34,245
Amortisation			
At 1 April 2021	23,726	5,640	29,366
Charge for the year	1,634	1,610	3,244
At 31 March 2022	25,360	7,250	32,610
Net book value			
At 31 March 2022	1,635	-	1,635
At 31 March 2021	3,269	1,610	4,879

11. Debtors

	2022	2021
	£	£
Trade debtors	722,261	165,178
Other debtors	40,095	33,958
	762,356	199,136

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	94,271	50,568
Taxation and social security	42,082	26,927
Other creditors and accruals	72,748	28,196
Deferred income	720,898	223,777
	929,999	329,468

Deferred income represents income received in the year but for specific expenditure partly, or wholly, in a later period. The increase in the year end balance relates mainly to an increase in funding for specific employment posts of set duration.

13. Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Equity instruments measured at cost less impairment, comprising cash at bank and in hand and trade debtors	1,952,299	1,076,842

	2022	2021
	£	£
Carrying amount of financial liabilities		
Equity instruments measured at cost less impairment, comprising creditors per note 12, but excluding deferred income, taxation and social security	167,019	78,764

14. Financial commitments

Photocopier:	2022 £	2021 £
Amount payable within the next year	6,696	6,696
Amount payable between 1 year and 5 years	-	6,696
Total payable over remaining duration of lease:	6,696	13,392

15. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Intangible assets	-	1,635	1,635
Tangible assets	-	38,031	38,031
Net current assets	477,632	584,763	1,062,395
	477,632	624,429	1,102,061
Fund balances at 31 March 2021 were represented by:			
Intangible assets	-	4,879	4,879
Tangible assets	-	23,345	23,345
Net current assets	267,066	514,266	781,332
	267,066	542,490	809,556

16. Net cash generated from operations

	2022 £	2021 £
Net movement in funds for the year	292,505	311,023
Adjustments for:		
Depreciation charged	12,112	13,825
Amortisation charged	3,244	4,574
Investment income received	(30)	(238)
Movements in working capital:		
Increase in debtors	(563,220)	(52,558)
Increase in creditors	600,531	89,907
Net cash generated	345,142	366,533

17a. Movements in funds for the year

Restricted funds	Balance at 01.04.21 £	Income £	Expenditure £	Transfers £	Balance at 31.03.22 £
Rochdale DAAT	-	300,000	(242,945)	(50,357)	6,698
Bury DAAT	5,244	196,200	(145,311)	(53,127)	3,006
Bury CCG (Mindfulness)	29,326	109,797	(47,028)	(10,388)	81,707
Bolton, Salford and Trafford	5,384	518,330	(393,141)	(104,138)	26,435
Bereavement Counselling	5,469	36,578	(22,689)	(6,000)	13,358
Bury Outreach	-	7,500	(5,325)	5,098	7,273
Anti-Bullying & Falinge Park High School	29,593	-	(24,712)	(1,252)	3,629
Public Health England	61,960	120,500	(97,719)	-	84,741
The Grand Trust	27,530	25,000	(34,221)	(2,698)	15,611
CHK Foundation	8,650	20,000	(17,553)	(11,097)	-
Rochdale Outreach	5,672	120	(1,045)	2,000	6,747
Barnardos Phase 2	1,349	-	(1,247)	(102)	-
FLAME	6,373	-	(3,279)	(3,094)	-
GM Housing First	(675)	114,331	(98,480)	(15,176)	-
Hopwell Hall College	119	-	(119)	-	-
Mentally Healthy Schools Bury	18,013	91,732	(68,458)	(7,077)	34,210
Mentally Healthy Schools Rochdale	9,143	43,316	(36,902)	(3,855)	11,702
Peer Mentoring	4	-	-	-	4
Oldham	(3,208)	599,244	(470,969)	(73,814)	51,253
Salford Steer	17,129	-	(15,672)	(1,457)	-
The Getting Helpline	7,893	158,813	(126,280)	(40,401)	25
Trafford Outreach	4,905	9,500	(3,772)	-	10,633
Youth Endowment	27,193	12,251	(31,929)	(7,515)	-
BBST	-	136,667	(81,293)	(12,728)	42,646
Blackburn with Darwen	-	-	(4,055)	-	(4,055)
Cardinal Langley	-	12,096	(11,096)	(1,000)	-
CCG Bury	-	166,025	(157,945)	(9,032)	(952)
Closing The Gap Group Work	-	8,430	(116)	(1,951)	6,363
Ingeus	-	22,667	(16,324)	(3,536)	2,807
Pathfinder	-	-	(78)	-	(78)
Rochdale CCG (Closing The Gap)	-	53,821	(42,211)	(11,610)	-
Rochdale – Universal Funding	-	33,295	(17,554)	(3,890)	11,851
Rochdale VRU	-	15,500	(8,903)	(1,750)	4,847
Salford Outreach	-	4,550	(3,041)	-	1,509
Salford Social Care	-	38,027	(30,681)	(7,346)	-
Thrive Rochdale	-	86,632	(41,217)	(7,876)	37,539
Trauma Informed	-	-	(69)	-	(69)
Trauma Responsive	-	8,145	-	-	8,145
VCSE Navigator	-	64,656	(46,460)	(9,510)	8,686
Vol & Comm Grant	-	15,063	(11,772)	(1,930)	1,361
Restricted funds	267,066	3,028,786	(2,361,611)	(456,609)	477,632
Unrestricted funds	542,490	96,278	(470,948)	456,609	624,429
Total funds	809,556	3,125,064	(2,832,559)	-	1,102,061

Within unrestricted funds are funds totalling £67,887 (2021: £44,643) which have been designated by the trustees for specific purposes (see note 18).

17a. Movements in funds for the year (continued)

Transfers shown between restricted and unrestricted funds in notes 17a and 17b generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally, transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 18.

Further information about restricted funds and designated funds is provided in note 18.

17b. Movements in funds for the prior year (for comparison purposes)

	Balance at 01.04.20	Income	Expenditure	Transfers	Balance at 31.03.21
Restricted funds	£	£	£	£	£
Rochdale DAAT	10,729	300,000	(250,551)	(60,178)	-
Bury DAAT	-	196,200	(141,312)	(49,644)	5,244
Bury CCG (Mindfulness)	-	93,798	(47,643)	(16,829)	29,326
Emotional Wellbeing	-	20,183	(17,361)	(2,822)	-
Bolton, Salford and Trafford	-	518,330	(402,030)	(110,916)	5,384
Bereavement Counselling	-	35,654	(24,185)	(6,000)	5,469
Bury Outreach	1,190	-	(1,272)	82	-
42nd Street	5,748	15,715	(21,056)	(407)	-
Anti-Bullying	13,401	36,000	(25,741)	(3,120)	20,540
Public Health England	62,163	217,891	(182,795)	(35,299)	61,960
The Grand Trust	6,247	63,973	(19,932)	(22,758)	27,530
CHK Foundation	324	30,000	(19,218)	(2,456)	8,650
Falinge Park High School	10,055	-	(282)	(720)	9,053
Rochdale Outreach	5,294	7,675	(7,297)	-	5,672
Rochdale WEA	1,487	23,333	(16,574)	(8,246)	-
Weapon Enabled Crime	6,819	38,029	(37,328)	(7,520)	-
Rochdale MBC – Alcohol Exposed Pregnancy	1,380	-	-	(1,380)	-
Barnardos Phase 1	-	57,600	(29,433)	(28,167)	-
Barnardos Phase 2	-	23,680	(9,973)	(12,358)	1,349
FLAME	-	6,930	(557)	-	6,373
GM Housing First	-	21,139	(18,006)	(3,808)	(675)
Hopwell Hall College	-	12,996	(7,647)	(5,230)	119
Lottery	-	62,710	(56,201)	(6,509)	-
Mentally Healthy Schools Bury	-	33,977	(13,684)	(2,280)	18,013
Mentally Healthy Schools Rochdale	-	24,802	(14,082)	(1,577)	9,143
Peer Mentoring	-	15,000	(2)	(14,994)	4
Oldham	-	-	(3,208)	-	(3,208)
Salford Steer	-	32,272	(12,743)	(2,400)	17,129
The Getting Helpline	-	162,036	(116,799)	(37,344)	7,893
Trafford Outreach	-	4,905	-	-	4,905
Youth Endowment	-	36,754	(6,219)	(3,342)	27,193
	124,837	2,091,582	(1,503,131)	(446,222)	267,066
Unrestricted funds	373,696	85,528	(362,956)	446,222	542,490
Total funds	498,533	2,177,110	(1,866,087)	-	809,556

Within unrestricted funds are funds with a total balance of £44,643 (2020: £69,428) which have been designated by the trustees for specific purposes.

18. Information about restricted and designated funds

Restricted funds:

Rochdale and Bury DAAT - Ongoing payments in relation to our DAAT contract and various projects, such as Holding Families (family parental substance misuse focused work).

Bury CCG (Mindfulness) - For mindfulness work in Bury.

Emotional Wellbeing - For a post held in Rochdale in relation to 'Emotional Health and Well Being'.

Bolton, Salford and Trafford – Contract to deliver specialist young person and families substance misuse service.

Bereavement Counselling – Bereavement and loss counselling for young people in Bury.

Bury and Rochdale Outreach – Street base outreach work with young people.

42nd Street – Deliver assessments and drop-ins at schools and colleges in relation to mental health support, to deal with issues such as depression, low mood, anxiety, stress, self-harm, family or relationship issues and bereavement on loss.

Anti-Bullying & Falinge Park High School – Deliver a pilot with local high schools to work specifically with young people who are perpetrators of bullying to work to combat bullying in the school environment.

Public Health England – Holding Families Plus Project; partnership work with Rochdale Council, GMMH, One Plus One, Manchester Metropolitan University to work with families with parental alcohol misuse.

The Grand Trust – Funds towards costs incurred for the Holding Families, SIF and Henry Smith projects.

CHK Foundation – For the direct intervention with young people to address alcohol and drug misuse.

Rochdale WEA – For a dedicated worker in each of Bury and Rochdale to act alongside programmes in both areas to broaden the response to young people on the edge of gang related and weapon related crime in the area.

Rochdale MBC Alcohol Exposed Pregnancy – Support for women struggling with alcohol use during their pregnancy.

Barnardos Phase 1/Phase 2 – For group support sessions and education re-integration.

FLAME – To support mental health in football academies throughout Europe.

GM Housing First – To support people facing difficulties in finding and sustaining suitable accommodation.

Hopwell Hall College – To support the emotional health and wellbeing of pupils.

Lottery – To offer brief emotional health and wellbeing intervention to young peoples during the pandemic.

Mentally Healthy Schools Bury and Rochdale – For dedicated workers to support mental health in the school environment.

Oldham - Delivering an integrated young person's sexual health and substance misuse service.

Peer Mentoring – Support young people to become peer mentors and support other young people with emotional health and wellbeing needs.

18. Information about restricted and designated funds (continued)

Salford Steer – For a dedicated worker to work alongside Salford Foundation's STEER workers to provide intervention with young people to address alcohol and drug misuse.

The Getting Helpline – To provide a telephone support line to those experiencing low level emotional/mental health difficulties.

Trafford Outreach – Street base outreach work with young people.

Youth Endowment – For the direct intervention with young people to address legal and illegal drug misuse.

BBST - Contract to deliver specialist young person and families substance misuse service.

Blackburn with Darwen - Contract to deliver specialist young person and families substance misuse service.

Cardinal Langley- Project offering 2 days / week emotional health and wellbeing support based in school setting (school directly funded).

CCG Bury- Emotional health and wellbeing support 1:1 to young people aged 14-16 (Streetwise) and 16- 25 (Closing the Gap).

Closing the Gap Group Work- Lets do it! Bury local authority funded group work for CYP aged 16-25.

Ingeus - Contract to support NEET and hidden NEET young people into education, training or employment.

Pathfinder- Contract to support vulnerable young people at risk of/currently homeless.

Rochdale CCG (Closing the Gap)- Emotional health and wellbeing 1:1 work for 16-25 years olds in Heywood, Middleton and Rochdale.

Rochdale – Universal Funding – Substance Use Worker Rochdale complex safeguarding.

Rochdale VRU – Young person worker 2 days Rochdale.

Salford Outreach - Street-based Outreach work for young people.

Salford Social Care - Contract to deliver specialist substance misuse work in Salford.

Thrive Rochdale- Emotional health and wellbeing support for CYP stepped down from Rochdale CAMHS (1:1).

Trauma Informed- Trauma therapy for CYP in Bury (1:1).

Trauma Responsive- Systems development work supporting Bury and Salford VCSE groups to develop their trauma-responsiveness.

VCSE Navigator - Contract as lead provider to deliver direct and subcontracted support to young people who have revised a CAMHS intervention.

Vol & Comm Grant – One HF+ family worker 4 days Rochdale

18. Information about restricted and designated funds (continued)

Designated funds:

The trustees have set aside £67,887 of unrestricted funds to support a variety of projects and activities, including the Streetwise service (£61,010) and marketing and development activity (£3,812). The total designated at the previous year end was £44,643.

19. Related party transactions

No related party transactions have taken place during the year (2021: none).

EARLY BREAK

England & Wales - Charity number 1072052

Accounts

EARLY BREAK

FINANCIAL STATEMENTS

31 MARCH 2021

Registered Charity No: 1072052
Registered Company No: 03320039

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

EARLY BREAK

CONTENTS

	PAGE
Report of the Trustees/Directors	1 – 6
Independent Auditors' Report	7 – 9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Accounts	13 – 25

REPORT OF THE TRUSTEES/DIRECTORS

The trustees present their annual report and the financial statements for the year ended 31 March 2021.

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 charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Reference and administrative information

Trustees/Directors	Tracy Hill (Chair of Trustees) Lydia Edgar Stephen Marley Karen Hugill (resigned 26 January 2021) Mark Kenyon (resigned 24 September 2020) Katharine Shethwood Louise Sell Karen Whitehead (appointed 19 October 2020) Howard Millington (appointed 19 October 2020) Karen Dolton (appointed 26 January 2021)
Chief Executive and Company Secretary	Vicky Maloney
Registered Office and Operational Address	Annara House 7-9 Bury Road Radcliffe Manchester
Auditors	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank plc 17 Bank Street Rawtenstall Rossendale Lancashire
Solicitors	DWF LLP Bridgewater Place Water Lane Leeds

Structure, governance and management

Governing document

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997. As such it has no share capital and, in the event of the charity being wound up, the members are required to contribute a sum not exceeding £10. The company was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association.

The registered charity number is 1072052. The registered company number is 03320039.

Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, are as listed on page 1. As the company is limited by guarantee, the trustees have no share capital interests. In the event of a winding up of the company they would be expected to contribute a maximum of £10 each.

The trustees give their time freely and none received any remuneration or benefits during the year.

Trustee recruitment, appointment, induction and training

The trustees are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The trustees demonstrate a range of experience and skills. The charity is keen to recruit more trustees and each member of the Management Committee has a responsibility to explore recruitment possibilities. In normal times new trustees are invited and encouraged to shadow workers and attend training and residential sessions and to familiarise themselves with the charity and the context within which it operates. In addition, specifically focused meetings/training events occur throughout the year on: the roles and responsibilities of trustees; the main documents which set out the operational framework for the charity, including the Memorandum and Articles; resourcing and the current financial position as set out in the latest published accounts; business planning.

A designated trustee participates in the recruitment and selection process to appoint new workers to the service, usually where the role is one of seniority.

The Board has undertaken a robust skills audit and has set out its plans on deepening the training and shadowing experiences of its members in the year 2021-22 including specific sessions on Board relationships and horizon scanning on business planning as group.

Risk Management

Early Break has an ongoing risk register to manage the risk for the charity, the key features of which are outlined below and are reviewed on a bi-monthly basis by the Senior Leadership Group. They are reported on bi-monthly to the full Board. The risks are reflective of the aforementioned Early Break Business Plan. The last year has put a different mix of pressures on the organisation as we have navigated the financial, emotional, practical and real risks COVID has presented for us all. Staff and Board are to be commended in their flexibility, child centredness and "can do" in offering our services at this time of pandemic.

Risks identified and managed are:

1. **Short-term funding cannot be renewed, core funding will be depleted and new sources cannot be found and/or there are cuts to statutory funds, increasing competition and forcing Early Break to downsize/make redundancies and lose capacity. Significantly short term COVID grants are not renewed when need is ongoing.**

Mitigation

We continue to maintain good relationships, deliver our targets and outcomes and report to SMART principles with all of our current donors/funders this should support renewed contracts and potential for mainstreaming of current non-recurrent funding. We have robust plans to renew funding streams for grants/foundation grants that completed within the next financial year and mitigation plans if we cannot replace them. Our business plan to cover three key areas of family work, substance use and mental health ensure no over reliance on one current area of activity.

2. Our service standards do not meet our own or local, regional and national expectations, e.g. poor feedback from service users, indicating poor outcomes for young people and their families, increasing risks for contracts/funding and a negative impact on our reputation.

Mitigation

We have confidence and a strong track record in delivering high service standards with increased scrutiny. This is rooted in strong performance management at every level of service and a high challenge/high support culture within our workforce. Demand has increased year on year and resourcing/funding has not kept up with this in some areas, leading to increases in waiting times and higher threshold case work, particularly in our emotional wellbeing offer. We are mitigating this by making the case to funders for the need to increase resources, implementing our audit review cycle to improve our internal systems and building on "lived experience" and service user voice at every level. We have ensured our audit cycle and sharing this with our Board demonstrates the scrutiny required to know our strengths and areas for improvement. This is inclusive of engagement in local and external audit processes including Quality for Health Level 2 award. Ensuring staff capacity balanced with offer of work has been challenging during the COVID pandemic.

3. The charity is unable to respond to and influence the changing external political, funding and health and social care environment.

Mitigation

The current Senior Leaders have a recognised strategic presence and are well networked locally, through LA level and GM structures and through focussed national arenas. In our proposed Board assessment and training, we will continue to look at their role and Terms of Reference and ensure that they contribute to this agenda as ambassadors and networkers. Early Break endeavours to ensure the voice of the child in appropriate forums, as outlined in our service user policy and the named opportunities for this. The charity has engaged in national research in the last year on behalf of PHE to further embed the experiences of our children and families. Senior Leaders have taken up roles across GM, raising opportunity to influence in Complex Safeguarding and Violence Reduction work. The volatility of COVID has challenged planning at all levels in health and social care. We expect to ensure our representation in the proposed ICS arrangements going forward.

4. We do not have sufficient financial arrangements, processes, protocols and infrastructure in place to ensure the smooth running of the charity, avoid fraud and meet the requirements of the Charity Commission.

Mitigation

We have a robust annual, external audit which highlights concerns and areas for improvement, which are signed off by the Board and monitored. We have external management accounts reviewed by SLT and have embedded the Charity Commission Financial Control Checklist and Finance Manual in our practice, reviewed year on year. Finance is systematically reported and shared with the Board, allowing for planning at all levels. The charity has reviewed its processes in line with the internal audit process agreed in Clinical governance.

5. Association with high level safeguarding and/or serious untoward incidents.

Mitigation

Early Break has robust externally audited safeguarding/child protection/SUI policies and protocols in place and all staff are fully inducted and trained in these areas. All staff complete enhanced DBS checks which are renewed regularly. We have an experienced SLT, including a designated safeguarding role and appropriate trained deputies. An escalation process is embedded in practice and a risk and review cycle and dissemination of learning procedure is in place. We have an appointed H&S lead and oversight of a risk assessment culture. The service completes a Section 11 audit annually and has also completed the Children England Safeguarding audit for Charity Trustees. The last year has further highlighted our need to have "eyes on the child" and strengthen or safeguarding in the challenge of the pandemic. A robust staff induction and access to safeguarding training has supported this.

6. Adverse media impacting negatively on Early Break reputation.

Mitigation

Early Break carefully considers any engagement with the media, as outlined in our robust social media policy with clear delineation on contacts. We have internal sign off on all press releases and monitor our social media accounts underpinned by policy and governance. Staffing and external contracts and workforce conduct are outlined in relevant policies.

7. Breaches in data protection and Information Governance regulation, impacting on service reputation and safety of young people.

Mitigation

We have robust Information Governance and Data Protection policies and procedures in place, in line with ICO and NHS contract criteria. All staff have received and continue to receive ongoing training. Data specific audits are embedded, including cyber fraud and GDPR practice. The service has a named Data Controller. As always, our focus will be in keeping children and families safe and thriving, focusing on prevention where we can, to support the reduction of presentation in expensive arenas of public sector offers. We have recognized the threat of Cyber Fraud and are undertaking the process for Cyber Essential plus in the coming year.

Objectives and activities

The charity is established to provide the relief of sickness and the preservation of good health of young people who use legal and illegal substances by the provision of counselling, support and treatment services for such persons and their families; the provision of support and advocacy services to vulnerable young people and their parents/carers; the provision of residential care to vulnerable young people where substance misuse is a factor in creating their vulnerability; the provision of services to families whose lives are adversely affected by a parent/carer/adult family member's substance misuse; to advance research into the use of substances by young people and to disseminate the results of such research; to advance the education of the public, in particular young substance users and misusers, and the professionals and organisations who come into contact with such persons, providing appropriate training, advice and consultancy services and information and resources.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do.

Review by the Chair of Trustees of developments, activities and achievements and of future prospects and plans

Like every charity, statutory organisation and for each individual globally, Early Break has had to navigate and address its journey, offer of support and staff welfare in the global pandemic. The pandemic, which has created immense organisational and personal strains and stresses that cannot be underestimated, has been unprecedented. This at a time of broader uncertainty in Brexit and the interdependent shake up of many of our partner agencies. It has been extremely tough but the ongoing commitment to keep our families at the centre of what we could offer has been paramount. The year April 2020 to March 2021 has been heart-breaking and frightening for so many as the pandemic has taken its course, but the compassionate offer of our staff has been outstanding.

We experienced extensive command and control models at the start of the pandemic from our commissioners and high levels of scrutiny on what we could maintain as on offer and then as the year evolved what was the additionality we could start to offer. As such, our track record in reaching families and children came into its own and we led on GM wide research throughout the pandemic in capturing and responding to young people's experiences.

The financial challenges in this pandemic have been fast moving to ensure new services such as the Getting Help line in Bury could be put in place at speed. We have now run our second full financial year, embedding our merger with Streetwise, a small mental health charity. This has certainly ensured that we have been able to develop services rooted in this expertise across Bury and Rochdale. Similarly, our family offer has been extended with additional DWP support as we make the case on the fiscal benefits of working to address intergenerational issues as exemplified in our national PHE work. The family work in prisons was significantly disrupted in COVID and, in quickly embedding community models, we have been able to support the case for family work where parenting capacity is diminished through criminal activity as well as parental substance use.

Our national discourse on young people's mental health is timely and never more felt then throughout the pandemic and it has been welcome investment through commissioning processes and belief in the service that our ability to prevent escalation into clinical services has meant investment to support us with young people in Ithrive and Living Well models.

We recognise that we have sought to build reserves to offer some longer term security to the charity and, whilst our reserves have slightly increased, this is not a comfortable position as we know that the short contracts and change to strategic planning across substance misuse, mental health and family offers has to settle as any exit to the pandemic starts. The Care Leaver review and potential for review to Children's Social care in its broadest sense has ramification to our offers and pressure on thresholds.

We particularly welcome the outcomes expected from the Dame Carol Black Review on substances where, as a national offer, there has been no investment now for over 15 years and the volume of drug related deaths is a sad testament to this.

We continue to have monthly internal finance meetings, during which we scrutinise the figures and budgets to track the "bottom line". We are confident in our processes and we have reviewed the financial systems in line with the charity commission guidance. We continue to have high levels of staff retention and our intention in the coming year is to build a deeper understanding of the equality, inclusion and diversity needs of our workforce and those we serve, in line with our values and the global conversations on inclusion.

Our plans are strong for the charity but are reliant on a multitude of moving dynamics, some good and some bad. To support thinking, we have included our consideration of risk for Early Break in this report.

In exiting from COVID and the opportunity for a new area in Oldham for young people work, we are confident in where our strengths and direction lie.

Financial information

Income and expenditure:

- Income increased by £410k. This has mainly been due to PHE innovation funding and a mix of new money for emotional wellbeing work across the service. There was an increase of £211k expenditure on charitable activities.
- The split of our income shifted in 20/21 towards emotional health and wellbeing, having previously been weighted heavily towards substance misuse contracts, reflecting the impact of the coronavirus pandemic.

Funds:

- Reserves increased for a third consecutive year. Unrestricted funds at the year end amounted to £542,490 (2020: £373,696), of which £44,643 was designated for use on Streetwise projects in the coming year (2020: £69,428). Restricted funds amounted to £267,066 (2020: 124,837), available for work on specific projects determined by the grant-maker.
- Free reserves at the year end amounted to £469,623 (2020: £270,864).

Looking forward, we are still working with intent on a slow growth to reserves but with a key priority to grow leadership within the service for quality oversight of the range of bids, grants and contracts that are making up the service offer. We have a strong Board who are committed and switched on to the challenges we face. This coming year will see them develop and strengthen as a team even further as we come together on Board training and on the horizon the review of our business plan for 2022 start.

It is our belief our reserves policy remains appropriate to the organisational context and the broad Charity Commission guidance issued in January 2016, Document Charity Reserves: Building Resilience, which stresses there is "no single level, or even a range of, reserves that is right for all charities".

This will of course be subject to annual review and consideration to our reinvestment back into the charity.

Responsibilities of the trustees

Company law requires the directors of the charity (namely the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming and outgoing resources for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make proper judgements and estimates that are reasonable and prudent;
- state whether applicable accountancy standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

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

Further, the trustees are responsible for preparing their trustees' report which should disclose the legal and administrative details of the charity and contain a narrative report explaining the organisation's objects, a review of the development, activities and achievements of the charity during the period and of its financial performance and position.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution for the reappointment of Barlow Andrews LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice.

This report is approved by the trustees on 20 September 2021 and signed on its behalf by

Vicky Maloney
Chief Executive and Company Secretary

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EARLY BREAK

Opinion
We have audited the financial statements of Early Break for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 March 2021 and of its incoming resources and application of resources 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 Companies Act 2006.

Basis of 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 financial statements 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 financial statements 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 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 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.

Opinion on other matter 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 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.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of Early Break for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect that those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 members as a body, for our audit work, for this report, or for the opinion we have formed

David Kay FCA (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP

Chartered Accountants and Statutory Auditors
Carlyle House, 78 Chorley New Road, Bolton

20 September 2021

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total Funds £	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £
Income:							
Investment income		238	-	238	510	-	510
Income from charitable activities							
Treatment and Intervention and outreach work	2	85,290	2,091,582	2,176,872	123,850	1,642,933	1,766,783
Total Income		85,528	2,091,582	2,177,110	124,360	1,642,933	1,767,293
Expenditure on:							
Charitable activities	3	362,956	1,503,131	1,866,087	365,024	1,290,064	1,655,088
Total expenditure		362,956	1,503,131	1,866,087	365,024	1,290,064	1,655,088
Net income for the year	4	(277,428)	588,451	311,023	(240,664)	352,869	112,205
Transfers between funds	16	446,222	(446,222)	-	347,542	(347,542)	-
Net movement in funds		168,794	142,229	311,023	106,878	5,327	112,205
Funds balances brought forward		373,696	124,837	498,533	266,818	119,510	386,328
Funds balances carried forward	16	542,490	267,066	809,556	373,696	124,837	498,533

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses recognised in the year. All of the charity's activities are classed as continuing.

EARLY BREAK

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed assets			
Intangible assets	9	4,879	9,453
Tangible assets	8	23,345	23,951
		28,224	33,404
Current assets			
Debtors	10	199,136	146,578
Cash at bank and in hand		911,664	558,112
		1,110,800	704,690
Creditors: amounts falling due within one year	11	329,468	239,561
Net current assets		781,332	465,129
Net assets		809,556	498,533
Funds			
Unrestricted funds	16	542,490	373,696
Restricted funds	16	267,066	124,837
Total funds		809,556	498,533

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved by the board on 20 September 2021 and signed on its behalf by:

Tracy Hill
Trustee

Company registration number: 03320039

EARLY BREAK

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

	Notes	2021	2020
		£	£
Net cash generated from operating activities	15	366,533	304,023
Investing activities			
Purchase of fixed assets		(13,219)	(19,739)
Investment income		238	510
Increase in cash and cash equivalents in the year		353,552	284,794
Cash and cash equivalents brought forward		558,112	273,318
Cash and cash equivalents carried forward		911,664	558,112

1. Accounting policies

Charity information

Early Break is a charitable company limited by guarantee, incorporated on 18 February 1997 in England and Wales. The registered office is Annara House, 7-9 Bury Road, Radcliffe.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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 charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Preparation of the accounts on a going concern basis

The charity's unrestricted funds decreased significantly years prior to the year ended 2019 following the loss of some key funding. As a result, steps were taken to reduce costs and, at the same time, to secure new funding sources, both of which appear to have had a positive impact, with increases to unrestricted funds in both the current and prior year.

At the time of approving the financial statements, the trustees have a reasonable expectation that with these measures in place the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

1.4 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably.

Revenue grants, including both restricted and unrestricted funding, are included in the year in which they are receivable. If they relate to a specified future period they are deferred accordingly.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

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

1.5 **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds comprise the costs of trading and similar activities and the associated support costs of those activities. Such activities include payroll and training services, renting of offices and hire of rooms.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services, including grants administration. The support costs associated with delivery of these activities and services is also included.

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

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities. They are allocated to the activity cost categories on bases consistent with the use of the resources, as set out in note 3.

1.6 **Transfers**

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees as explained in note 17.

1.7 **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on tangible fixed assets, purchased from unrestricted funds, at rates calculated to write off the cost of each asset over its estimated useful life, taking into account estimated residual value, as follows:

Motor vehicles	-	20% on cost per annum
Fixtures, fittings and equipment	-	25-33$^{1}/_{3}$ % on cost per annum

Any tangible fixed assets purchased using restricted funds are depreciated over the length of the grant period.

1.8 **Intangible fixed assets**

Intangible fixed assets comprise of application software and database software developed externally. The application software is defined as having a finite useful life and the costs are to be amortised on a straight line basis over the estimated useful life of 5 years, beginning when the development is complete, and the app is in use. The database software and redesign of the website are being amortised at 33.33% as the charity believes this best represents the useful lives of the assets.

Intangible fixed assets are reviewed for impairment whenever there is an indication that the carrying value may be impaired. They are recognised at cost less accumulated amortisation and accumulated impairment losses.

1.9 **Pensions**

The company operates a defined contribution scheme for its employees administered by Aegon. The assets of the scheme are held separately from those of the charity. The pension costs charged in the financial statements represent the contribution payable by the company during the year.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 **Operating leases**

Operating lease rentals, including property rents, are charged to the Statement of Financial Activities in the period to which they relate.

1.12 **Debtors**

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

1.13 **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.14 **Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income is income which is included in the year in debtors or has been received into the bank, but which relates to a subsequent period, such as a grant relating specifically to a future period, is recognised in the Statement of Financial Activities of that period.

1.15 **Financial instruments**

The charity 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 charity's balance sheet when the charity 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 cash and bank balances, are measured at transaction price.

Other financial assets

Financial assets classified as other financial assets, such as trade debtors, are stated at fair value. Any gains or losses arising on re-measurement are recognised in the statement of financial activities.

Basic financial liabilities

Basic financial liabilities, which include other creditors, are recognised at transaction price.

2. Income from charitable activities	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Treatment, intervention & outreach work				
Rochdale DAAT	-	300,000	300,000	350,600
Bury DAAT	-	196,200	196,200	207,380
Bereavement Counselling	-	35,654	35,654	35,000
Bury Outreach	-	-	-	7,584
Emotional Wellbeing (SIF)	-	20,183	20,183	20,183
Bury CCG	-	93,798	93,798	45,736
School Nurses	-	-	-	5,933
Bolton, Salford and Trafford	-	518,330	518,330	518,330
Streetwise	63,365	-	63,365	92,888
42nd Street	-	15,715	15,715	52,957
Anti-Bullying	-	36,000	36,000	72,000
Public Health England	-	217,891	217,891	218,703
The Grand Trust	-	63,973	63,973	49,461
Falinge Park High School	-	-	-	10,505
CHK Foundation	-	30,000	30,000	10,000
Weapon Enabled Crime	-	38,029	38,029	19,015
Derby High	-	-	-	1,500
Rochdale WEA	-	23,333	23,333	16,666
Rochdale MBC – Alcohol Expose Pregnancy	-	-	-	1,380
Barnardos Phase 1	-	57,600	57,600	-
Barnardos Phase 2	-	23,680	23,680	-
FLAME	-	6,930	6,930	-
GM Housing First	-	21,139	21,139	-
Hopwell Hall College	-	12,996	12,996	-
Lottery	-	62,710	62,710	-
Mentally Healthy Schools Bury	-	33,977	33,977	-
Mentally Healthy Schools Rochdale	-	24,802	24,802	-
Peer Mentoring	-	15,000	15,000	-
Rochdale Outreach	-	7,675	7,675	-
Salford Steer	-	32,272	32,272	-
The Getting Helpline	-	162,036	162,036	-
Trafford Outreach	-	4,905	4,905	-
Youth Endowment	-	36,754	36,754	-
Miscellaneous grants, donations and income	21,925	-	21,925	30,962
	85,290	2,091,582	2,176,872	1,766,783

3. Expenditure on charitable activities

	Basis of allocation	Charitable activities £	Governance costs £	2021 Total funds £	2020 Total Funds £
Costs directly allocated to activities					
Staff costs	Direct	1,181,105	-	1,181,105	1,067,028
Pension costs	Direct	69,115	-	69,115	56,826
Alternative therapies	Direct	12,087	-	12,087	19,195
Hygiene and office cleaners	Direct	4,487	-	4,487	4,698
Consultancy and advice	Direct	25,020	-	25,020	62,011
Promotion and advertising	Direct	4,214	-	4,214	1,189
Supervision	Direct	20,423	-	20,423	16,950
Training provision	Direct	4,310	-	4,310	17,249
Utilities	Direct	12,707	-	12,707	14,538
Travel expenses	Direct	7,688	-	7,688	31,832
Accountancy and audit fees	Direct	14,844	9,344	24,188	22,469
Doctor and medical fees	Direct	2,680	-	2,680	2,750
Printing, postage and stationery	Direct	11,922	-	11,922	14,199
Sundry running expenses	Direct	23,066	-	23,066	25,004
Health and safety	Direct	991	-	991	949
Recruitment costs	Direct	-	-	-	900
Property repairs and alterations	Direct	8,449	-	8,449	11,578
Computer software, consumables and licences	Direct	55,698	-	55,698	29,860
Project work	Direct	110,720	-	110,720	22,520
Depreciation	Direct	13,825	-	13,825	8,669
Amortisation	Direct	4,574	-	4,574	10,325
Legal and professional fees	Direct	15,028	-	15,028	3,520
		1,602,953	9,344	1,612,297	1,444,259
Support costs allocated to activities					
Staff costs	Staff time	139,696	6,766	146,462	125,074
Pension costs	Staff time	5,683	142	5,825	6,455
Rents	Floor area	46,739	-	46,739	46,739
Insurance	Floor area	16,177	-	16,177	11,926
Telephone and internet	Staff time	38,587	-	38,587	20,635
		246,882	6,908	253,790	210,829
		1,849,835	16,252	1,866,087	1,655,088

4. Net income

This is stated after charging:	2021 £	2020 £
Amortisation and depreciation	18,399	18,995
Auditors' remuneration:		
• Audit fees	7,344	6,414
• Other services	16,844	16,055
Operating leases – land and buildings	46,739	46,739

5. Staff costs and numbers

Staff costs were as follows:	2021 £	2020 £
Salaries and wages	1,222,331	1,100,735
Social security costs	105,236	91,367
Pension contributions	74,940	63,281
	1,402,507	1,255,383

There were no redundancy costs in the year (2020: none).

One employee received emoluments between £60,001 and £70,000 during the year (2020: 0). The total employee benefits of the key management personnel of the charity were £176,466 (2020: £142,062).

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

	2021	2020
Management	3	3
Treatment, intervention, and outreach	47	42
Administration and support	4	4
	54	49

6. Pension costs

The charity operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £74,940 (2020: £63,281).

7. Trustees

The trustees have not received any remuneration or benefits or reimbursement of expenses during the year.

8. Tangible fixed assets

	Fixtures fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2020	68,266	2,000	70,266
Additions	13,219	-	13,219
Disposals	-	-	-
At 31 March 2021	81,485	2,000	83,485
Depreciation			
At 1 April 2020	44,315	2,000	46,315
Charge for the year	13,825	-	13,825
Eliminated on disposals	-	-	-
At 31 March 2021	58,140	2,000	60,140
Net book value			
At 31 March 2021	23,345	-	23,345
At 31 March 2020	23,951	-	23,951

9. Intangible fixed assets

	Software £	Website £	Total £
Cost			
At 1 April 2020	26,995	7,250	34,245
Additions	-	-	-
At 31 March 2021	26,995	7,250	34,245
Amortisation			
At 1 April 2020	21,569	3,223	24,792
Charge for the year	2,157	2,417	4,574
At 31 March 2021	23,726	5,640	29,366
Net book value			
At 31 March 2021	3,269	1,610	4,879
At 31 March 2020	5,426	4,027	9,453

10. Debtors

	2021	2020
	£	£
Trade debtors	165,178	108,683
Other debtors	33,958	37,895
	199,136	146,578

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	50,568	23,536
Taxation and social security	26,927	25,270
Other creditors and accruals	251,973	190,755
	329,468	239,561

The total for other creditors and accruals includes deferred income of £223,777 (2020: £166,742), which represents income received in the year in question, but specified by the donor as being for use wholly or partly in a later period.

12. Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Equity instruments measured at cost less impairment, comprising cash at bank and in hand and trade debtors	1,076,842	666,795

	2021	2020
	£	£
Carrying amount of financial liabilities		
Equity instruments measured at cost less impairment, comprising creditors per note 11, but excluding deferred income	78,764	47,549

13. Financial commitments

Photocopier:	2021 £	2020 £
Due less than 1 year	6,696	6,696
Due between 1 year and 5 years	6,696	13,392
Total payable over life of lease:	13,392	20,088

14. Analysis of net assets between funds

Fund balances at 31 March 2021 are represented by:	Restricted funds £	Unrestricted funds £	Total £
Intangible assets	-	4,879	4,879
Tangible assets	-	23,345	23,345
Net current assets	267,066	514,266	781,332
	267,066	542,490	809,556

Comparative figures at 31 March 2020 were represented by:			
Intangible assets	-	9,453	9,453
Tangible assets	-	23,951	23,951
Net current assets	124,837	340,292	465,129
	124,837	373,696	498,533

15. Cash absorbed by operations

	2021 £	2020 £
Net movement on reserves for the year	311,023	112,205
Adjustments for:		
Depreciation	13,825	8,669
Amortisation	4,574	10,325
Investment income	(238)	(510)
Movements in working capital:		
(Increase)/decrease in debtors	(52,558)	107,346
Increase/(decrease) in creditors	89,907	65,988
	366,533	304,023

16a. Movements in funds for the year

Restricted funds	Balance at 01.04.20 £	Income £	Expenditure £	Transfers £	Balance at 31.03.21 £
Rochdale DAAT	10,729	300,000	(250,551)	(60,178)	-
Bury DAAT	-	196,200	(141,312)	(49,644)	5,244
Bury CCG (Mindfulness)	-	93,798	(47,643)	(16,829)	29,326
Emotional Wellbeing	-	20,183	(17,361)	(2,822)	-
Bolton, Salford and Trafford	-	518,330	(402,030)	(110,916)	5,384
Bereavement Counselling	-	35,654	(24,185)	(6,000)	5,469
Bury Outreach	1,190	-	(1,272)	82	-
42nd Street	5,748	15,715	(21,056)	(407)	-
Anti-Bullying	13,401	36,000	(25,741)	(3,120)	20,540
Public Health England	62,163	217,891	(182,795)	(35,299)	61,960
The Grand Trust	6,247	63,973	(19,932)	(22,758)	27,530
CHK Foundation	324	30,000	(19,218)	(2,456)	8,650
Falinge Park High School	10,055	-	(282)	(720)	9,053
Rochdale Outreach	5,294	7,675	(7,297)	-	5,672
Rochdale WEA	1,487	23,333	(16,574)	(8,246)	-
Weapon Enabled Crime	6,819	38,029	(37,328)	(7,520)	-
Rochdale MBC – Alcohol Exposed Pregnancy	1,380	-	-	(1,380)	-
Barnardos Phase 1	-	57,600	(29,433)	(28,167)	-
Barnardos Phase 2	-	23,680	(9,973)	(12,358)	1,349
FLAME	-	6,930	(557)	-	6,373
GM Housing First	-	21,139	(18,006)	(3,808)	(675)
Hopwell Hall College	-	12,996	(7,647)	(5,230)	119
Lottery	-	62,710	(56,201)	(6,509)	-
Mentally Healthy Schools Bury	-	33,977	(13,684)	(2,280)	18,013
Mentally Healthy Schools Rochdale	-	24,802	(14,082)	(1,577)	9,143
Peer Mentoring	-	15,000	(2)	(14,994)	4
Oldham	-	-	(3,208)	-	(3,208)
Salford Steer	-	32,272	(12,743)	(2,400)	17,129
The Getting Helpline	-	162,036	(116,799)	(37,344)	7,893
Trafford Outreach	-	4,905	-	-	4,905
Youth Endowment	-	36,754	(6,219)	(3,342)	27,193
	124,837	2,091,582	(1,503,131)	(446,222)	267,066
Unrestricted funds	373,696	85,528	(362,956)	446,222	542,490
Total funds	498,533	2,177,110	(1,866,087)	-	809,556

Within unrestricted funds are funds totalling £44,643 (2020: £69,428) which have been designated by the trustees for specific purposes (see note 17).

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally, transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 17.

Further information about restricted funds and designated funds is provided in note 17.

16b. Movements in funds for the prior year (for comparison purposes)

Restricted funds	Balance at 01.04.19 £	Income £	Expenditure £	Transfers £	Balance at 31.03.20 £
Rochdale DAAT	5,529	350,600	(271,591)	(73,809)	10,729
Bury DAAT	-	207,380	(157,582)	(49,798)	-
Bury CCG (Mindfulness)	13,453	45,736	(51,358)	(7,831)	-
Emotional Wellbeing	22,170	20,183	(15,051)	(27,302)	-
Bolton, Salford and Trafford	11,142	518,330	(414,033)	(115,439)	-
Bereavement Counselling	5,080	35,000	(24,385)	(15,695)	-
Bury Outreach	3,112	-	(1,922)	-	1,190
Derby High	-	1,500	(1,820)	320	-
School Nurses	-	5,933	(5,933)	-	-
Trafford HF Pilot	6,608	-	-	(6,608)	-
42nd Street	3,088	52,957	(37,086)	(13,211)	5,748
Anti-Bullying	1,571	72,000	(50,888)	(9,282)	13,401
Public Health England	47,757	218,703	(180,861)	(23,436)	62,163
The Grand Trust	-	49,461	(42,716)	(498)	6,247
CHK Foundation	-	10,000	(8,593)	(1,083)	324
Falinge Park High School	-	10,505	(210)	(240)	10,055
Rochdale Outreach	-	7,584	(2,290)	-	5,294
Rochdale WEA	-	16,666	(12,879)	(2,300)	1,487
Weapon Enabled Crime	-	19,015	(10,866)	(1,330)	6,819
Rochdale MBC – Alcohol Exposed Pregnancy	-	1,380	-	-	1,380
	119,510	1,642,933	(1,290,064)	(347,542)	124,837
Unrestricted funds	266,818	124,360	(365,024)	347,542	373,696
Total funds	386,328	1,767,293	(1,655,088)	-	498,533

Within unrestricted funds are funds with a total balance of £69,428 at 31 March 2020 which have been designated by the trustees for specific purposes.

Transfers between restricted and unrestricted funds generally represent agreed contributions to management and administration costs etc. built into the funding offers. Occasionally transfers will be made from unrestricted funds to cover an overspend on a restricted fund. Transfers between designated funds and general funds are made at the discretion of the trustees, as explained in note 17.

In the prior year, contributions to management and administration costs were included within expenditure. This note has been restated in line with the current year.

Further information about restricted and designated funds is provided in note 17.

17. Information about restricted and designated funds

Restricted funds:

Rochdale and Bury DAAT - Ongoing payments in relation to our DAAT contract and various projects, such as Holding Families (family parental substance misuse focused work).

Bury CCG (Mindfulness) - For mindfulness work in Bury.

Emotional Wellbeing - For a post held in Rochdale in relation to 'Emotional Health and Well Being'.

Bolton, Salford and Trafford – Contract to deliver specialist young person and families substance misuse service.

Bereavement Counselling – Bereavement and loss counselling for young people in Bury.

Bury and Rochdale Outreach – Street base outreach work with young people.

Derby High – Emotional health and wellbeing service.

School Nurses – Professional training and development of referral pathways for young substance users.

Trafford HF Pilot – 7 month pilot to deliver family work programme for those experiencing parental substance misuse.

42nd Street – Deliver assessments and drop-ins at schools and colleges in relation to mental health support, to deal with issues such as depression, low mood, anxiety, stress, self-harm, family or relationship issues and bereavement on loss.

Anti-Bullying – Deliver a pilot with local high schools to work specifically with young people who are perpetrators of bullying.

Public Health England – Holding Families Plus Project; partnership work with Rochdale Council, GMMH, One Plus One, Manchester Metropolitan University to work with families with parental alcohol misuse.

The Grand Trust – Funds towards costs incurred for the Holding Families, SIF and Henry Smith projects.

CHK Foundation – For the direct intervention with young people to address alcohol and drug misuse.

Falinge Park High School – For work to combat bullying in the school environment.

Bury and Rochdale WEA – For a dedicated worker in each of Bury and Rochdale to act alongside programmes in both areas to broaden the response to young people on the edge of gang related and weapon related crime in the area.

Rochdale MBC Alcohol Exposed Pregnancy – Support for women struggling with alcohol use during their pregnancy.

Barnardos Phase 1/Phase 2 – For group support sessions and education re-integration.

FLAME – To support mental health in football academies throughout Europe.

GM Housing First – To support people facing difficulties in finding and sustaining suitable accommodation.

Hopwell Hall College – To support the emotional health and wellbeing of pupils.

Lottery – To offer brief emotional health and wellbeing intervention to young peoples during the pandemic.

Mentally Healthy Schools Bury and Rochdale – For dedicated workers to support mental health in the school environment.

Oldham - Delivering an integrated young person's sexual health and substance misuse service.

Peer Mentoring – Support young people to become peer mentors and support other young people with emotional health and wellbeing needs.

Salford Steer – For a dedicated worker to work alongside Salford Foundation's STEER workers to provide intervention with young people to address alcohol and drug misuse.

The Getting Helpline – To provide a telephone support line to those experiencing low level emotional/mental health difficulties.

Trafford Outreach – Street base outreach work with young people.

Youth Endowment – For the direct intervention with young people to address legal and illegal drug misuse.

Designated funds:

The trustees have set aside £44,643 of unrestricted funds to support a variety of projects and activities, including the Streetwise service (£37,766) and marketing and development activity (£3,812). The total designated at the previous year end was £69,428.

18. Related party transactions

No related party transactions have taken place during the year (2020: none).

19. Controlling interests

No controlling party has been identified.