

Charity registration number 1072395

Company registration number 3294547 (England and Wales)

CHAPTER (WEST CHESHIRE) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

CHAPTER (WEST CHESHIRE) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sharon Shelbourne	
	Stephanie Ogunjimi	
	Gabor Balint	
	James Murray	
	Louise McWatt	
	Kevin Hochard	
	Joanne Hadley	(Appointed 2 August 2022)
	Lee Mooney	(Appointed 9 May 2022)
Secretary	Janice Eastwood	
Charity number	1072395	
Company number	3294547	
Registered office	Stanlaw Abbey Business Centre	
	Dover Drive	
	Ellesmere Port	
	Cheshire	
	CH65 9BF	
Independent examiner	Mitchell Charlesworth	
	24 Nicholas Street	
	Chester	
	CH1 2AU	
Bankers	HSBC Bank plc	
	PO Box 16	
	47 Eastgate Street	
	Chester	
	CH1 1XW	

CHAPTER (WEST CHESHIRE) LIMITED

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CHAPTER (WEST CHESHIRE) LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

In October 2021 Chapter celebrated its 30th year supporting people with mental ill-health. This was a real highlight, reflecting the hard work and dedication of all staff, volunteers and trustees who have supported Chapter across three decades. We're humbled when we reflect on the work that was started back in 1991, providing much needed support, to our work today reaching hundreds of people across Cheshire and Wirral.

Sadly, we lost our CEO, Daniel Rogers, in December 2021. This was devastating for Chapter and the emotional impact cannot be underestimated. I would firstly like to thank all the staff and volunteers who have shown each other compassion and demonstrated resilience, putting the charity and our service users first in a difficult and emotional situation. The professionalism of the whole team was evident, and the team continued to deliver high quality frontline services and offer excellent support to make a real difference to people experiencing mental ill-health.

Through this difficult time, the Board's immediate priority was to ensure that the strategic direction and the operational plans continued to be delivered and this has been at the forefront of our decision making. In the interim period, we were very grateful to Jolene Weaver, who took up the position of Interim CEO. This allowed us to continue to deliver excellent frontline services with no disruption to service users. As a board, this gave us the time we needed to review our structure and our delivery of services knowing that the charity continued to be in safe hands. In September 2022, we confirmed Jolene Weaver as our new Charity Manager. I would also like to thank the staff who stepped up in their current roles to support the organisation.

As a charity operating over the last 30 years, we recognise that the landscape for funding streams has changed dramatically, and we too have had to adapt and realign our resourcing to re-shape our services. This year resulted in a new strategic plan with key performance indicators to deliver objectives for the next five years and build financial stability for the future. Building on the work that Daniel achieved, our main aim was to ensure financial stability by securing funding from a variety of different streams including trusts, foundations, and other statutory providers.

Our four core services, Aspire, Connect, RE:SET and Belong have continued to receive high referral rates, and over the year have reached more people than in the previous year. The pathway of support given not only empowers individuals, but in turn supports the wider family. Our group of twenty volunteers continue to add value, making a positive difference and more importantly, they are often the first point of call, reassuring and engaging individuals to take the first step. We know that the cost-of-living crisis will impact on even more people's mental health, so ensuring the volunteers can match individuals to core programmes is crucial.

I am proud to celebrate two main projects this year. Firstly, the national Trusted Charity Kite Mark (Level 1) in October 2021. Chapter met the criteria in all 11 quality areas, with 91 indicators in total. This was a great achievement and all the hard work in the background means that we can provide and demonstrate evidence to stakeholders and funders of our commitment to excellence. Secondly, we secured the funds to develop an abandoned and inaccessible piece of land in Ellesmere Port to provide gardening activities and workshops directly linked to mental health support in a deprived neighbourhood. The Haven is a real example of Chapter making a difference to the mental health and wellbeing of a local community.

Two trustees retired this year - Collette Baines, our treasurer, and Georgina Clarke. Both brought key skills and knowledge to the board and provided invaluable support during their time with Chapter, and we extend our thanks to them. As a board, we looked at our current skills and launched a recruitment campaign to enable us to recruit new Trustees based on our current skills gaps and we look forward to introducing our new board members at our AGM.

Sharon Shelbourne
Chair

CHAPTER (WEST CHESHIRE) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and 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 governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

All our work is directed at achieving five outcomes:

- helping people to promote positive mental health
- supporting people to better manage their mental health
- build confidence, life skills and greater self-esteem
- supporting people to work and be able to live an independent life
- enabling people to overcome isolation and be part of a community.

Public Benefit

All charities are legally required to have aims that provide public benefit. The Charity Commission in its 'Charities and Public Benefit' Guidance states that an organisation's aims are for the public benefit. Firstly, there must be an identifiable benefit, and secondly, that the benefit must be to the public or a section of the public.

The Trustees confirm that they have referred to the guidance and are confident that Chapter meets the criteria. For example:

- the objects of the Charity in our Memorandum and Articles of Association are defined as Public Benefit
- our progress, including the number of beneficiaries, is reported publicly in the Trustees' Annual Report
- Chapter accepts referrals from statutory agencies, such as local authorities and NHS trusts, as well as local third sector organisations, who support people affected by mental ill-health but do not provide the same services as Chapter
- We now accept self-referrals for our whole range of services. We developed a simple online referral process which supports Chapter's core approach, putting individual's views at the heart of their own mental health
- most of Chapter's services are supported entirely through charitable funds
- The core of Chapter's services are free at the point of delivery to its service users, except in certain instances such as the provision of training courses to corporate/private clients.

CHAPTER (WEST CHESHIRE) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Activities

Chapter continues to provide a variety of services and activities to promote mental health recovery. This includes:

- Aspire - One-to-one mental health coaching to support people to develop wellbeing plans and set goals to aid their recovery. Motivational, emotional and positive encouragement remain an integral part of this work.
- Connect – Listening service providing low level mental health support delivered by trained volunteers.
- Belong - Activities that bring people together around a shared interest to build confidence, meet new people and try new things.
- RE: SET - Workshops promoting positive mental health, supporting people to develop life skills that aid their mental health recovery. Peer support is a particularly successful aspect of this work.
- The Haven – Re-development of a former allotment site in Ellesmere Port to create a wellbeing space that brings the local community together and promotes positive mental health.
- Corporate Services - Mental health training in the workplace to promote mental health at work. This includes bespoke training packages as well as recognised qualifications such as Mental Health First Aid.

Partnerships

Chapter continues to have partnerships with other organisations in the business, statutory and voluntary sectors. We also provide some services as part of paid contracts such as delivering mental health training. Chapter actively seeks joint working opportunities with other third sector organisations as we recognise the added value this brings to our services and those accessing our services. In 2021 we delivered partnership projects to promote positive mental health outcomes in conjunction with Koala North West, Poets in Paint and Platform for Life.

Achievements and performance

Chapter provided a service to 300 unique individuals in 2021/22 with a total of 2,153 attendances recorded at 1,253 different sessions.

Throughout 2021/22 Chapter worked to ensure that people affected by mental ill-health were able to access face to face services whenever it was safe to do so. We saw increased demand from service users for a 'human connection' and we reviewed and refined our services to ensure that we could deliver in person as soon as was possible.

The increased number of referrals seen in 2020/21 continued throughout 2021/22 with a wide range of people reaching out for support. Opening up our services to a self-referral process for individuals meant that we have seen a more diverse range of need for support and an increase in early intervention and prevention work. Our Connect service continues to grow with a steady demand for calls. We secured funding to expand the service into Cheshire East in 2021 which means that Chapter can increase its reach. We have several core volunteers who have been with the project for almost two years now with new volunteers being recruited and trained on a regular basis.

CHAPTER (WEST CHESHIRE) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Following the death of Daniel Rogers, Chapter's CEO, the Board of Trustees appointed Jolene Weaver to the role of Interim CEO. The board took this opportunity to reflect and undertake a review of Chapter's organisational structure, making key changes to ensure that we focussed our resources on supporting those affected by mental ill-health and meeting both current and emerging needs; this led to the confirmation of Jolene Weaver as Charity Manager in September 2022.

There is now a robust policy structure in place including a clear Financial Management Framework which ensures Chapter's governance. Chapter was awarded Trusted Charity mark at Level 1 in November 2021. This is awarded to charities that meet the criteria of a robust external assessment and the achievement of this on its first attempt, without improvement actions, demonstrates the strength of Chapter's operations.

Chapter has undergone a number of significant events in the past year; whilst these events have proven challenging for the team, we have ensured that service delivery has not been negatively impacted. We end the year in a positive place, ready to move forward to ensure that we continue to deliver a wide range of services to a diverse service user group, putting their needs at the forefront of our decision making.

Financial review

Chapter maintains adequate controls over the assets of the Charity, which are regularly reviewed by the CEO, Treasurer and the Board of Trustees. The Charity has restricted and unrestricted funds as described in the accounts. The principal activity of the company during the year was to promote the mental health and wellbeing of individuals, communities, and workplaces.

A number of events in 2021/22 including the death of our CEO and the loss of senior staff meant that our plans to develop our corporate arm did not come to fruition. This has meant that our plan to generate income from corporate services was not achieved exacerbating our reliance on income from grant funding. The landscape for grant funding has changed significantly in 2021/22 - many funders who had released additional funds during the COVID pandemic are now taking time to review their strategy on grant giving and reduced their grant making capacity accordingly.

Chapter utilised its success in 2020/21 by investing in a skilled team, developing a strong service offer, instilling clear branding and marketing, and developing our team's skills which has laid a durable foundation to build upon in the coming year.

Financial reserve strategy

The Company's Reserve Strategy is reviewed annually. Wherever possible, reserves are provided consistent with the ongoing objectives of the Charity so that negative fluctuations in funding do not have an immediate adverse impact on clients or staff. In addition, reserves are provided to make good any deficits from authorised projects.

Our objective is to maintain reserves representing at least two months running costs plus closure costs. To facilitate this, Chapter seeks to secure restricted as well as unrestricted income. The financial position is reported monthly, including the reserves calculations. At the start of the year Chapter's Finance sub-committee considered the levels of cash and reserves regularly. When the sub-committee was disbanded, monthly one-to-one meetings with the Treasurer and CEO, supported by the Finance Officer, were established where reserves are reviewed.

Financial risk

The main risks are that:

- Chapter still relies heavily on grant funding, often for 12 months or less which makes long term planning difficult; it also provides uncertainty for staff members which can be unsettling. Chapter has not yet sufficiently developed its corporate services to provide a regular source of earned income; demand for these services is unknown particularly in the current economic climate which means that this poses some of the same risks as grant fundraising.
- Uncertainty around funding sources because of the pandemic remains a risk.

As with any small charity, it will now be vitally important to be flexible and exercise caution in expenditure, to protect staff and cover all other liabilities under such an uncertain future.

CHAPTER (WEST CHESHIRE) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk management

The Board of Trustees regularly reviews the major risks to which the Charity is exposed through regular reports from the CEO. Wherever possible, processes and procedures are in place to mitigate these risks. A policy framework helps to ensure risks are monitored, managed, and mitigated as far as is reasonably practical. The risks to external funding are kept under frequent examination so that, when required, new and diversified funding sources can be investigated and, if necessary, the activities of the Charity can be modified.

Internal financial risks are minimised by procedures for authorisation of all transactions. In 2022 an amended suite of Financial Management Policies and Procedures was adopted to further ensure Chapter's financial probity.

Projects are monitored and assessed regularly to ensure consistent quality across all operational aspects of the Charity. Training is provided to staff and volunteers to ensure that safeguarding and safe working practices for staff, volunteers and service-users are central to all delivered activities.

Chapter has links and access to professionals in the field of Health & Safety and HR who can provide advice on specific areas of concern. Chapter also has a Confidentiality Policy that all trustees, volunteers and staff are required to sign, and all data held is assessed to be secure and meet all Data Protection Act and GDPR requirements.

Plans for future periods

Each year the Board of Trustees reviews Chapter's strategic plan and sets strategic priorities and actions for the year ahead.

The plans for 2022/23:

- Increase our reach to work with a minimum of 300 unique individual services users across Cheshire
- Develop a clear definition of lived experience which is shared across the organisation
- Clearly define 'service user involvement' looking at terms such as co-production and what they mean at Chapter
- Improve how we monitor and report on service and project delivery, better capturing and communicating our social value.

Structure, governance and management

Chapter (West Cheshire) Limited is a registered charity (No. 1072395) and as a company limited by guarantee (No. 3294547). It is governed by its Memorandum and Articles of Association dated 19th December 1996.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Sharon Shelbourne	
Collette Baines	(Resigned 31 August 2021)
Stephanie Ogunjimi	
Gabor Balint	
James Murray	
Louise McWatt	
Kevin Hochard	
Georgina Clarke	(Resigned 28 February 2022)
Joanne Hadley	(Appointed 2 August 2022)
Lee Mooney	(Appointed 9 May 2022)

CHAPTER (WEST CHESHIRE) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Appointment of trustees

Trustees are expected to:

- support the organisation and its aims
- act as ambassadors for the organisation
- demonstrate sound common sense and a breadth of experience
- declare any potential conflict of interest
- undertake work on an appropriate committee
- attend Board of Trustees meetings
- help with specific projects as required
- be legally able to carry out their duties of Trustee.

Trustees are appointed by the Board of Trustees. All new Trustees are recruited to complement the skills of existing Trustees and inducted into the work of Chapter and their roles as Trustees. Trustees are required to meet minimum levels of safeguarding training and sign a confidentiality contract.

Management

The activities of Chapter are overseen by a Board of Trustees which at the outset of 2021-22 consisted of seven Trustees and one co-opted Trustee.

The Board of Trustees meets every eight weeks to receive reports from the Chief Executive Officer of Chapter to effect strategic and administrative decisions. In 2021/22 the board of trustees decided to disband sub-committees, however the treasurer meets with the CEO and Finance Officer on a monthly basis to review financial performance. At each Board of Trustees' meeting the Chief Executive Officer reports on new opportunities, serious incidents, and any safeguarding or health and safety issues. The Chief Executive Officer also presents detailed statistics on current activities and reports on progress against the targets associated with specific grants and contracts. Presentations by members of staff on different aspects of the work of Chapter may also be periodically brought to Board of Trustees' meetings.

Following the death of our CEO Daniel Rogers in December 2021, Jolene Weaver was appointed Interim CEO and was confirmed as the new Charity Manager in September 2022.

Structure

The Trustees are also Directors of the Charitable Company for the purposes of the Companies Act. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Independent examiner

Mitchell Charlesworth was appointed as Independent Examiner for 2021/22 and a resolution will be put before the Annual General Meeting regarding future Independent Examiner.

CHAPTER (WEST CHESHIRE) LIMITED

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

The Trustees report was approved by the Board of Trustees.

sharon Shelbourne
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Sharon Shelbourne
Trustee
05 Oct 2022
Date:

CHAPTER (WEST CHESHIRE) LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHAPTER (WEST CHESHIRE) LIMITED

I report to the Trustees on my examination of the financial statements of Chapter (West Cheshire) Limited (the Charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Mitchell Charlesworth

24 Nicholas Street
Chester
CH1 2AU

10 October 2022
Dated:

CHAPTER (WEST CHESHIRE) LIMITED

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

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Donations and legacies	3	81,947	340,453	422,400	154,340	135,038	289,378
Charitable activities	4	4,338	-	4,338	30,137	-	30,137
Investments	5	1	-	1	22	-	22
Total income		86,286	340,453	426,739	184,499	135,038	319,537
Expenditure on:							
Raising funds	6	-	-	-	687	173	860
Charitable activities	7	136,805	347,178	483,983	114,494	128,070	242,564
Total expenditure		136,805	347,178	483,983	115,181	128,243	243,424
Gross transfers between funds	11	-	-	-	6,295	(6,295)	-
Net (expenditure)/income for the year/							
Net movement in funds		(50,519)	(6,725)	(57,244)	75,613	500	76,113
Fund balances at 1 April 2021		120,849	6,725	127,574	45,236	6,225	51,461
Fund balances at 31 March 2022		70,330	-	70,330	120,849	6,725	127,574

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

All income and expenditure derive from continuing activities.

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

CHAPTER (WEST CHESHIRE) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		12,591		11,070
Current assets					
Debtors	13	18,161		9,345	
Cash at bank and in hand		101,266		203,634	
		<u>119,427</u>		<u>212,979</u>	
Creditors: amounts falling due within one year	14	<u>(61,688)</u>		<u>(96,475)</u>	
Net current assets			57,739		116,504
Total assets less current liabilities			<u>70,330</u>		<u>127,574</u>
Income funds					
Restricted funds	15		-		6,725
Unrestricted funds			70,330		120,849
			<u>70,330</u>		<u>127,574</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 05 Oct 2022

Gabor Balint

Gabor Balint

Trustee

Company registration number 3294547

CHAPTER (WEST CHESHIRE) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(97,213)		128,981
Investing activities					
Purchase of tangible fixed assets		(5,156)		(6,295)	
Investment income received		1		22	
		<hr/>		<hr/>	
Net cash used in investing activities			(5,155)		(6,273)
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net (decrease)/increase in cash and cash equivalents			(102,368)		122,708
Cash and cash equivalents at beginning of year			203,634		80,926
			<hr/>		<hr/>
Cash and cash equivalents at end of year			101,266		203,634
			<hr/> <hr/>		<hr/> <hr/>

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Chapter (West Cheshire) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Stanlaw Abbey Business Centre, Dover Drive, Ellesmere Port, Cheshire, CH65 9BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

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

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

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

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised when it is incurred and is recorded gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs comprise those incurred as a result of constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	15% reducing balance
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The 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.

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	20,164	3,171	23,335	9,026	-	9,026
Grants Receivable and Contracts	61,783	337,282	399,065	145,314	135,038	280,352
	<u>81,947</u>	<u>340,453</u>	<u>422,400</u>	<u>154,340</u>	<u>135,038</u>	<u>289,378</u>
Grants receivable for core activities						
Albert Gubay	-	24,720	24,720	-	-	-
Ann Duchess of Westminster	-	7,462	7,462	-	-	-
The National Lottery	-	11,995	11,995	10,000	36,757	46,757
Bupa UK Foundation	-	-	-	-	7,809	7,809
Charities Aid Foundation	-	-	-	15,024	-	15,024
Cheshire Community Foundation - various grants	-	60,636	60,636	10,000	23,581	33,581
Cheshire West & Chester Council	-	47,127	47,127	47,980	14,006	61,986
Garfield Weston	11,250	-	11,250	3,750	-	3,750
The Henry Smith Charity	-	32,924	32,924	-	25,201	25,201
Lloyds Bank Foundation	5,500	-	5,500	27,500	-	27,500
NHS West Cheshire CCG	12,823	-	12,823	15,210	-	15,210
Postcode Neighbourhood Trust	-	18,624	18,624	-	-	-
Steve Morgan Foundation	-	-	-	8,000	-	8,000
Tudor Trust	25,000	-	25,000	-	-	-
Veolia Environmental Trust	-	52,000	52,000	-	-	-
WC&NW Chamber of Commerce	-	14,538	14,538	-	-	-
Westminster Foundation	-	-	-	5,000	-	5,000
West Cheshire Mental Health Forum	-	461	461	-	280	280
Workers' Educational Association	-	7,875	7,875	-	-	-
Other	7,210	58,920	66,130	2,850	27,404	30,254
	<u>61,783</u>	<u>337,282</u>	<u>399,065</u>	<u>145,314</u>	<u>135,038</u>	<u>280,352</u>

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Charitable Income 2022 £	Charitable Income 2021 £
Sales within charitable activities	4,338	30,137

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	1	22

6 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Fundraising and publicity</u>				
Other fundraising costs	-	-	-	860
	-	-	-	860
Fundraising and publicity	687	173		860

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	344,939	186,893
Depreciation and impairment	3,635	3,159
Service-user support costs	85,041	15,437
Connect volunteer programme	-	11,449
Business expenses	34,454	17,581
WCMHF expenditure	461	280
General expenses	12,882	5,425
	<u>481,412</u>	<u>240,224</u>
Share of governance costs (see note 8)	2,571	2,340
	<u>483,983</u>	<u>242,564</u>
Analysis by fund		
Unrestricted funds	136,805	114,494
Restricted funds	347,178	128,070
	<u>483,983</u>	<u>242,564</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Accountancy	-	2,460	2,460	2,340	Governance
AGM and Trustee meeting costs	-	111	111	-	Governance
	<u>-</u>	<u>2,571</u>	<u>2,571</u>	<u>2,340</u>	
Analysed between Charitable activities	-	2,571	2,571	2,340	

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable and management	14	11

Employment costs

	2022 £	2021 £
Wages and salaries	344,939	186,893

There were no employees whose annual remuneration was more than £60,000.

11 Transfers

A transfer of £6,295 was made during the previous year from restricted to unrestricted. The transfer was in relation to fixed assets purchased from restricted funds which could be used for unrestricted purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2021	10,333	11,279	21,612
Additions	2,890	2,266	5,156
At 31 March 2022	13,223	13,545	26,768
Depreciation and impairment			
At 1 April 2021	4,026	6,516	10,542
Depreciation charged in the year	1,380	2,255	3,635
At 31 March 2022	5,406	8,771	14,177
Carrying amount			
At 31 March 2022	7,817	4,774	12,591
At 31 March 2021	6,307	4,763	11,070

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	17,256	8,465
Prepayments and accrued income	905	880
	<u>18,161</u>	<u>9,345</u>

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	6,591	3,928
Other creditors	29,977	10,936
Accruals and deferred income	25,120	81,611
	<u>61,688</u>	<u>96,475</u>

15 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£	£	£	£
Albert Gubay	-	-	-	-	24,720	24,720	-
Ann Duchess of Westminster	-	-	-	-	7,462	7,462	-
Arnold Clarke	-	-	-	-	1,000	1,000	-
Big Lottery - Awards for All	-	-	-	-	10,000	10,000	-
Big Lottery - Heritage	-	-	-	-	1,995	1,995	-
Bupa UK Foundation	-	7,809	7,809	-	-	-	-
Cheshire Community Foundation - Main grant	-	4,151	4,151	-	1,900	1,900	-
Cheshire Community Foundation - Tampon Tax	-	3,696	3,696	-	-	-	-

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15	Restricted funds	(Continued)						
	Cheshire Community Foundation - COVID19 Response fund	-	4,530	4,530	-	10,000	10,000	-
	Cheshire Community Foundation - Cheshire Minds Matter fund	-	11,204	11,204	-	33,570	33,570	-
	Cheshire Community Foundation - Assura fund	-	-	-	-	5,000	5,000	-
	Cheshire Community Foundation - Reaching Communities	-	-	-	-	10,166	10,166	-
	Cheshire West Voluntary Action - Womens & Childrens	-	-	-	-	4,865	4,865	-
	Cheshire West & Chester Council	-	14,006	14,006	-	48,377	48,377	-
	Chester Municipal Charities	-	5,800	5,800	-	-	-	-
	Chester Rotary	-	-	-	-	200	200	-
	Chester Soup Kitchen	-	-	-	-	700	700	-
	Co-op Local Community fund	-	-	-	-	3,306	3,306	-
	Equilibrium	-	-	-	-	500	500	-
	Leeds Building Society	-	-	-	-	1,000	1,000	-
	Marjory Boddy Trust	-	1,000	1,000	-	2,500	2,500	-
	Matrix Chambers Ltd	-	419	419	-	581	581	-
	Medicash Foundation	-	-	-	-	1,000	1,000	-
	National Lottery Community Fund	-	36,757	36,757	-	-	-	-

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15	Restricted funds							(Continued)
	Neighbourly Community Fund	-	400	400	-	400	400	-
	Neston Town Council	-	1,000	1,000	-	1,500	1,500	-
	Nisa	-	-	-	-	700	700	-
	NHS West Cheshire CCG - WCMHF	-	280	280	-	461	461	-
	People's Health Trust	-	4,077	4,077	-	-	-	-
	Percy Bilton	-	423	423	-	475	475	-
	Postcode Neighbourhood Trust	-	-	-	-	18,624	18,624	-
	Rank Foundation	-	-	-	-	400	400	-
	Sanctuary Group	-	500	-	500	1,000	1,500	-
	Cheshire West Crowdfund (Spacehive)	-	-	-	-	2,471	2,471	-
	St James' Place	-	-	-	-	2,500	2,500	-
	Stanlaw Abbey Development Trust Ltd	-	1,597	1,597	-	-	-	-
	The Albert Hunt Trust	-	-	-	-	3,000	3,000	-
	The Clothworkers' Foundation	-	1,300	1,300	-	-	-	-
	The D'Oyly Carte Charitable Trust	-	-	-	-	3,500	3,500	-
	The Edward Gostling Foundation	-	-	-	-	4,841	4,841	-
	The Finnis Scott Foundation	-	1,000	1,000	-	-	-	-
	The Henry Smith Charity	6,225	25,201	25,201	6,225	32,924	39,149	-
	The Hospital Saturday Fund	-	2,000	2,000	-	2,000	2,000	-
	The Ragdoll Foundation	-	-	-	-	1,479	1,479	-
	The Ursula Keyes' Trust	-	-	-	-	2,894	2,894	-

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15	Restricted funds							(Continued)
	The Sir Jules Thorn Charitable Trust	-	1,250	1,250	-	-	-	-
	The Tree Council	-	-	-	-	375	375	-
	The Williams Family Foundation	-	-	-	-	1,000	1,000	-
	United Way UK Give Local (Costco)	-	1,500	1,500	-	-	-	-
	Veolia Environmental Trust	-	-	-	-	52,000	52,000	-
	Versus Arthritis	-	-	-	-	4,789	4,789	-
	Vivo Care Choices Ltd	-	2,762	2,762	-	3,870	3,870	-
	WC&NW Chamber of Commerce	-	-	-	-	14,538	14,538	-
	Westhill Foundation	-	-	-	-	3,500	3,500	-
	Workers' Educational Association	-	-	-	-	7,875	7,875	-
	Sport England	-	2,376	2,376	-	4,495	4,495	-
		<u>6,225</u>	<u>135,038</u>	<u>134,538</u>	<u>6,725</u>	<u>340,453</u>	<u>347,178</u>	<u>-</u>

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Restricted funds

(Continued)

Albert Gubay - Aspire wellbeing coach salaries

Ann Duchess of Westminster - Belong activity sessions

Arnold Clarke - Aspire one-to-one sessions room hire

Big Lottery (Awards for All) - Belong activity sessions

Big Lottery (Heritage) - Historical garden trips

Cheshire Community Foundation (Assura fund) - Allotment sessions & equipment

Cheshire Community Foundation (Cheshire Minds Matter fund) - partnership with other local organisations to deliver telephone based mental health recovery service, delivered primarily by volunteers

Cheshire Community Foundation (COVID19 Response fund) - capacity building to increase support delivery

Cheshire Community Foundation (Main grant fund) - RESET wellbeing programme

Cheshire Community Foundation (Reaching Communities) - The Haven community greenspace

Cheshire West & Chester Council (various funds) - Aspire programme and Children & Young People's support sessions

Cheshire West Crowdfund (Spacehive) - Xmas social activity

Cheshire West Voluntary Action - BUMP new parent support

Chester Rotary - Xmas social activity

Chester Soup Kitchen - Xmas social activity

Co-op Local Community Fund - The Haven community greenspace

Equilibrium - Belong activity sessions

Leeds Building Society - Office furniture

Marjory Boddy Trust - IT equipment & licences

Matrix Chambers Ltd - Volunteer training

Medicash Foundation - Allotment sessions & materials

Neighbourly Community Fund - The Haven community greenspace

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Restricted funds

(Continued)

Neston Town Council - supporting service-users in Neston

Nisa - Xmas social activity

NHS West Cheshire CCG - West Cheshire Mental Health Forum - a community consultation group, of which Chapter manage the book-keeping

The Percy Bilton Charity - Allotment equipment

Postcode Neighbourhood Trust - Aspire wellbeing coach salaries

Rank Foundation - Allotment shed

Sanctuary Group - Allotment equipment

St James' Place - RESET wellbeing programme

The Albert Hunt Trust - RESET wellbeing programme

The D'Oyly Carte Charitable Trust - The Haven community greenspace wellbeing coach salaries

The Edward Gostling Foundation - Aspire wellbeing coach salaries

The Henry Smith Charity - Belong activity wellbeing coach salaries

The Hospital Saturday Fund - Staff training

The Ragdoll Foundation - Belong activity sessions

The Ursula Keyes' Trust - IT equipment & software

The Tree Council - The Haven community greenspace saplings

The Williams Family Foundation - Xmas social activity

Veolia Environmental Trust - The Haven community greenspace development

Versus Arthritis - Belong activity wellbeing coach salaries

Vivo Care Choices Ltd - The Haven community greenspace

WC&NW Chamber of Commerce - Kickstart employment scheme

Westhill Foundation - Delivery of Mental Health First Aid sessions to faith groups

Workers' Educational Association - Aspire wellbeing coach salaries

Sport England - Covid-19 Return to Play fitness sessions

CHAPTER (WEST CHESHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	12,591	-	12,591	11,070	-	11,070
Current assets/(liabilities)	57,739	-	57,739	109,779	6,725	116,504
	<u>70,330</u>	<u>-</u>	<u>70,330</u>	<u>120,849</u>	<u>6,725</u>	<u>127,574</u>

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who is the Chief Officer, is as follows.

	2022 £	2021 £
Aggregate compensation	<u>41,881</u>	<u>37,849</u>

18 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(57,244)	76,114
Adjustments for:		
Investment income recognised in statement of financial activities	(1)	(22)
Depreciation and impairment of tangible fixed assets	3,635	3,159
Movements in working capital:		
(Increase) in debtors	(8,816)	(2,642)
(Decrease)/increase in creditors	(34,787)	52,372
Cash (absorbed by)/generated from operations	<u>(97,213)</u>	<u>128,981</u>

19 Analysis of changes in net funds

The Charity had no debt during the year.