

Charity Registration No. 1074508

Company Registration No. 3614799 (England and Wales)

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

# **NETHERTON FEELGOOD FACTORY COMPANY LIMITED BY GUARANTEE LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr L James (Chairperson) Mr J Flynn Mr G Loughlin Ms H Martin Mr W Penney Ms U Ingham Mr D Cummins Mr M Buxton Ms L Cluskey Ms L Glenn Ms M McEllenborough
<b>Secretary</b>	Mrs S Duncan
<b>Chief Executive</b>	Mrs S Duncan
<b>Charity number</b>	1074508
<b>Company number</b>	3614799
<b>Registered office</b>	Glovers Lane Netherton Liverpool L30 5QW
<b>Independent examiner</b>	Peter Taaffe FCA CTA DChA BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
<b>Bankers</b>	NatWest Bank PLC West Yorkshire Retail CSC 1 Victoria Place Holbeck Leeds LS11 5AN

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# **NETHERTON FEELGOOD FACTORY COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and 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 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)" (as amended for accounting periods commencing from 1 January 2016).

## **Objectives and activities**

The objects of the Netherton Feelgood Factory are to promote the health, education and quality of life of the public in the Metropolitan Borough of Sefton and surrounding areas. The organisation aims to enable people to improve their health and wellbeing by using a community development approach to ill health prevention and health improvement.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Priorities identified through consultation with the local community are:

- to improve access to health, social care and related information and services
- to encourage healthier lifestyles
- to provide services and activities to support isolated older people
- to provide services and activities to support families

The Feelgood Factory's strategy to achieve these objectives has been by means of a variety of activities and services held both within the purpose-built healthy living centre and as outreach services in the wider community. The charity has continued to lease office space to other organisations and hire rooms and facilities on a day or half day basis.

## **Achievements and Performance**

The Feelgood Factory provides services for the whole community, from childhood to old age in order to promote health and wellbeing in the most holistic way possible. During the year our range of services has included:

- Advice and Information services.
- Healthy Living activities for the whole community that concentrate on physical exercises and food and nutrition.
- Breast feeding support.
- Mental health activities including a drop-in to support people with more severe and enduring mental health issues and programmes to promote good mental health.
- Community Services Project which provides a range of practical services to help older people stay safe and well both by providing support in their own home and through activities in the centre.
- A Community Garden.

Due to the global Coronavirus pandemic our normal activities had to be closed at times or reduced in numbers. In between lockdowns we endeavoured to carry on providing as many of our ordinary activities face-to-face as possible. This included:

## **Advice and Information**

The Feelgood Factory has continued to provide the main information and advice service in the centre of Netherton. Our centre and its staff have provided key information about local and national services and health and wellbeing to local people. We also provide a community computer hub.

## **Healthy Living Activities**

We have provided a range of activities aimed at promoting health and wellbeing. These have included exercise classes such as Zumba, Pilates, Line Dancing and Aerobics as well as a general health programme, Steps to Health, and a variety of food and nutrition programmes.

# **NETHERTON FEELGOOD FACTORY COMPANY LIMITED BY GUARANTEE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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## **Breast Feeding support**

This programme trains volunteers to act as peer mentors for local mothers who wish to breastfeed. It also runs support groups. Overall the programme helps to promote the health of mothers and babies and provides education about the wider benefits of breastfeeding.

## **Mental Health Projects**

The Drop-In for people with more severe and enduring mental health problems, has continued to operate twice weekly in Netherton and Linacre. We have also continued to provide more general wellbeing support sessions, in particular Think Differently, Cope Differently and Bereavement Support, and some one-to-one support sessions. Our programme to support people experiencing loneliness has also continued to grow and now includes a befriending service and a range of groups and activities including the Good Afternoon Social, Crafting, Creative Writing and Feelgood Learning.

Despite breaks caused by the lockdowns the Feelgood Factory achieved the following face-to-face results.

- There were 423 attendances at programmes aimed at improving physical health through exercise.
- There were 342 attendances at sessions to promote mental wellbeing and alleviate loneliness.

## **Netherton Community Garden**

The Netherton Community Garden has developed very well and continued to produce food for the community as well as some social interaction for volunteers.

In response to the pandemic the Feelgood Factory moved some support services online and increased our practical support in the community.

In particular we:

- Undertook over 1,000 shops for shielding people
- With partners distributed 1,440 frozen meals to families in need
- Throughout the crisis we provided 30+ packed lunches each day for families who were struggling due to having reduced household income and/or children at home all day that needed more food and snacks.
- Wrote and distributed 1,481 interest packs
- Donated Christmas Dinner hampers to 25 families
- Donated essential food hampers to 22 families
- Distributed toys and presents to 80 children
- Supported over 150 people weekly through telephone or email

The Feelgood Factory continues to depend for the achievement of its objectives upon the support of a range of partner organisations and upon the hard work of its staff and volunteers.

## **Financial review**

As with many other charities the pandemic caused disruption to activities in the building (although services carried on and most support programmes became virtual or telephone support) and meant that the proposed budget and fundraising strategies for 2020-2021 had to be revised and kept under constant review, with the Finance Committee meeting monthly in order to achieve this.

Income was lost through the cessation of room hiring, the loss of tenants and the loss of fees and donations for services. There were also increased costs relating to expanded community services to address the emergency. The organisation was, however, successful in obtaining emergency grants and other funds to cover the shortfall.

As at 31 March 2021, the charity had reserves of £754,133 (2020: £819,579). Included within these reserves are £103,923 (2020: £52,841) of restricted funds (see note 20) and £106,412 (2020: £99,002) of designated funds (see note 21). Included within unrestricted funds are fixed assets totalling £571,206 (2020: £643,360). These funds can only be realised upon sale of these assets. The charity had free reserves of £nil as at 31 March 2021 (2020: £24,376).

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that free reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of free reserves has not been met this year however, the trustees and the team are working hard to increase the reserves.

**Investment Policy and Returns**

Trustees make all decisions about investments and receive regular financial reports from the Finance Sub-Committee detailing the financial position of the organisation.

**Risk Identification and Management**

The Board have identified the main areas of risk as the costs attached to running and maintaining the building. The risks have been minimised through monitoring the extent of dependence on particular donors.

The Board has a wide range of funding sources to minimise dependence on any one source.

A set of financial regulations exists which specify the cheque signatories and their delegated authority levels. Two signatories, one of whom must be a board member, must sign each cheque.

A computerised financial management system is fully operational and a system to maintain the highest standards of financial management is in place.

**Structure, governance and management**

The Charity is a charitable company limited by guarantee and not having a share capital. The company is registered in England and Wales, No: 3614799. The principal governing document is the company Memorandum and Articles of Association. The charity is registered with the Charity Commissioners, No: 1074508.

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:

Mr L James (Chairperson)

Mr J Flynn

Mr G Loughlin

Ms H Martin

Mr W Penney

Ms U Ingham

Mr D Cummins

Mr M Buxton

Ms L Cluskey

Ms L Glenn

Ms M McEllenborough

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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The charity is governed by its Board of Directors who, as Trustees of the charity, are responsible for setting the strategic direction of the organisation and for establishing policy. The Board meets monthly and delegates day-to-day management to the Chief Executive, Sandra Duncan, who leads a staff team with specific areas of responsibility. Written financial and progress reports are provided in advance of Board Meetings. There is a Finance Sub Committee that have delegated authority and written terms of reference.

Trustees are nominated and elected by Feelgood Factory members. New Trustees are inducted into their new role by way of formalised information about the role of a trustee and about the Feelgood Factory.

A membership register is held by the Company Secretary. One third of Trustees will normally retire each year and are eligible for re-election at the Annual General Meeting. At the 31 March 2021 there were 17 members.


Trustees are appointed in accordance with the company's Memorandum and Articles of Association. The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

**Employees**

The organisation had 14 staff at the 31 March 2021.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board of trustees



**Mr L James (Chairperson)**

Trustee

Dated: 27/09/2021

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF NETHERTON FEELGOOD FACTORY**

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I report to the trustees on my examination of the financial statements of Netherton Feelgood Factory (the charity) for the year ended 31 March 2021.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

**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.

*BWM*

**Peter Taaffe FCA CTA DChA**  
Independent Examiner  
BWM  
Castle Chambers  
43 Castle Street  
Liverpool  
L2 9SH

Dated: 28/09/2021 .....

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Current financial year**

		<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds designated 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
	<b>Notes</b>					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	<b>3</b>	117,459	-	501	117,960	81,741
Charitable activities	<b>4</b>	87,821	-	252,171	339,992	332,769
Other trading activities	<b>5</b>	9,985	-	556	10,541	15,334
Investments	<b>6</b>	10,440	-	-	10,440	17,539
Other income	<b>7</b>	5,706	-	81	5,787	9,985
<b>Total income</b>		<b>231,411</b>	<b>-</b>	<b>253,309</b>	<b>484,720</b>	<b>457,368</b>
<b><u>Expenditure on:</u></b>						
Raising funds	<b>8</b>	2,890	-	121	3,011	4,709
Charitable activities	<b>9</b>	337,775	-	209,380	547,155	534,378
<b>Total expenditure</b>		<b>340,665</b>	<b>-</b>	<b>209,501</b>	<b>550,166</b>	<b>539,087</b>
<b>Net (expenditure)/income before transfers</b>		<b>(109,254)</b>	<b>-</b>	<b>43,808</b>	<b>(65,446)</b>	<b>(81,719)</b>
Gross transfers between funds	<b>14</b>	(14,684)	7,410	7,274	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(123,938)</b>	<b>7,410</b>	<b>51,082</b>	<b>(65,446)</b>	<b>(81,719)</b>
Fund balances at 1 April 2020		667,736	99,002	52,841	819,579	901,298
<b>Fund balances at 31 March 2021</b>		<b>543,798</b>	<b>106,412</b>	<b>103,923</b>	<b>754,133</b>	<b>819,579</b>

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.

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	38,498	-	43,243	81,741
Charitable activities	4	39,325	-	293,444	332,769
Other trading activities	5	6,270	-	9,064	15,334
Investments	6	17,539	-	-	17,539
Other income	7	9,623	-	362	9,985
<b>Total income</b>		<b>111,255</b>	<b>-</b>	<b>346,113</b>	<b>457,368</b>
<b><u>Expenditure on:</u></b>					
Raising funds	8	3,454	-	1,255	4,709
Charitable activities	9	226,454	-	307,924	534,378
<b>Total expenditure</b>		<b>229,908</b>	<b>-</b>	<b>309,179</b>	<b>539,087</b>
<b>Net (expenditure)/income before transfers</b>		<b>(118,653)</b>	<b>-</b>	<b>36,934</b>	<b>(81,719)</b>
Gross transfers between funds	14	55,067	6,404	(61,471)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(63,586)</b>	<b>6,404</b>	<b>(24,537)</b>	<b>(81,719)</b>
Fund balances at 1 April 2019		731,322	92,598	77,378	901,298
<b>Fund balances at 31 March 2020</b>		<b>667,736</b>	<b>99,002</b>	<b>52,841</b>	<b>819,579</b>

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.

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	15		571,206		643,360
<b>Current assets</b>					
Debtors	17	87,446		78,882	
Cash at bank and in hand		152,427		117,379	
		<u>239,873</u>		<u>196,261</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(56,946)</u>		<u>(20,042)</u>	
Net current assets			182,927		176,219
<b>Total assets less current liabilities</b>			<u>754,133</u>		<u>819,579</u>
<b>Income funds</b>					
Restricted funds	21		103,923		52,841
<u>Unrestricted funds</u>					
Designated funds	22	106,412		99,002	
General unrestricted funds		<u>543,798</u>		<u>667,736</u>	
			650,210		766,738
			<u>754,133</u>		<u>819,579</u>

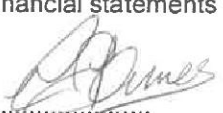
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 27/09/2021 .....

  
.....  
Mr L James (Chairperson)  
Trustee

Company Registration No. 3614799

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**Charity information**

Netherton Feelgood Factory is a private company limited by guarantee incorporated in England and Wales. The registered office is Glovers Lane, Netherton, Liverpool, L30 5QW.

**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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. The principal accounting policies adopted are set out below.

**1.2 Going concern**

As with many other charities the onset of the global coronavirus pandemic and the subsequent UK lockdown from 23 March 2020 caused a virtual cessation of activities in the building (although services carried on and most support programmes became virtual or telephone support) and meant that the proposed budget and fundraising strategies for 2020-2021 had to be revised.

The charity has received emergency funding grants from some of the grant providers and has seen a large increase in demand for the shopping squad service. 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

**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.

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to preconditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Voluntary income includes discretionary grants for projects, goods and services where no service agreement or contract exists.

Other grants, which have particular service requirements and which are provided in accordance with a contract or service level agreement are included in the statement of Financial Activities under the heading Incoming Resources from Charitable Activities.

Interest is included when receivable by the charity.

**1.5 Expenditure**

Expenditure reflects all amounts paid and accrued during the year. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

**1.6 Tangible fixed assets**

All assets costing more than £1,000 are capitalised at cost.

The cost of Tangible Fixed Assets includes only expenditure incurred in bringing the assets into working condition for their intended use. Depreciation is provided to write off each asset over its expected useful life using the following rates and methods:-

Short leasehold land and buildings	4% p.a. on a straight line basis
Building equipment	15% p.a. on a straight line basis
Fixtures, fittings & equipment	Between 15% - 50% p.a. on a straight line basis
Computer equipment	Between 33% - 50% p.a. on a straight line basis

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

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1 Accounting policies**

**(Continued)**

**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.

**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.

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1 Accounting policies**

**(Continued)**

**1.11 Retirement benefits**

The Company contributes to Individual Personal Pension Arrangements for its employees. Contributions are charged to the Income and Expenditure Account in the period to which they relate.

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**1.13 Taxation**

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

**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.

**3 Donations and legacies**

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	25,291	501	25,792	3,498	43,243	46,741
Grants receivable	92,168	-	92,168	35,000	-	35,000
	<u>117,459</u>	<u>501</u>	<u>117,960</u>	<u>38,498</u>	<u>43,243</u>	<u>81,741</u>
<b>Grants receivable for core activities</b>						
Comic Relief	31,100	-	31,100	-	-	-
Community Foundation	5,000	-	5,000	-	-	-
The Henry Smith Charity	25,000	-	25,000	25,000	-	25,000
Big Lottery Fund	31,068	-	31,068	10,000	-	10,000
	<u>92,168</u>	<u>-</u>	<u>92,168</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**4 Charitable activities**

	Public Benefit Quality of Life		Health and Wellbeing	Total Public Benefit		Education Quality of Life		Health and Wellbeing	Total
	2021	2021	2021	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£	£	£
Performance related grants	35,214	47,847	256,931	39,325	300	19,996	273,148	332,769	
Analysis by fund									
Unrestricted funds - general	35,214	27,500	25,107	39,325	-	-	-	39,325	
Restricted funds	-	20,347	231,824	-	300	19,996	273,148	293,444	
	35,214	47,847	256,931	39,325	300	19,996	273,148	332,769	
Performance related grants									
Steve Morgan Foundation	1,667	3,333	-	-	-	-	-	-	-
Sefton MBC	5,000	20,000	-	-	-	-	-	-	-
Sport England	-	-	25,107	-	-	-	14,213	14,213	
Heritage Lottery	-	-	-	-	300	-	-	300	
Comic Relief	-	20,347	-	-	-	19,996	-	19,996	
NHS South Sefton CCG	-	-	12,175	-	-	-	12,175	12,175	
NHS Southport & Formby CCG	-	-	9,565	-	-	-	9,565	9,565	
St Helen's Council	-	-	-	-	-	-	7,745	7,745	
L30's Million	28,547	-	8,084	39,325	-	-	27,450	66,775	
North West Boroughs	-	-	40,000	-	-	-	40,000	40,000	
Sefton CVS	-	4,167	162,000	-	-	-	162,000	162,000	
	35,214	47,847	256,931	39,325	300	19,996	273,148	332,769	

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**5 Other trading activities**

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Fundraising events	9,985	556	10,541	6,270	9,064	15,334

**6 Investments**

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	10,440	17,384
Interest receivable	-	155
	10,440	17,539

**7 Other income**

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Sundry income	-	-	-	7,850	-	7,850
External training	-	81	81	1,773	362	2,135
Job Retention Scheme Grant	5,706	-	5,706	-	-	-
	5,706	81	5,787	9,623	362	9,985

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8 Raising funds**

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Fundraising and publicity</u>						
Other fundraising costs	134	121	255	699	1,255	1,954
Support costs (see note 10)	2,756	-	2,756	2,755	-	2,755
	<u>2,890</u>	<u>121</u>	<u>3,011</u>	<u>3,454</u>	<u>1,255</u>	<u>4,709</u>

**NETHERTON FEELGOOD FACTORY  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9 Charitable activities**

	Public Benefit 2021 £	Education 2021 £	Quality of Life 2021 £	Health and Wellbeing 2021 £	Total 2021 £	Total 2020 £
Staff costs	75,197	-	53,792	195,508	324,497	296,586
Premises and other costs	40,244	420	111	7,986	48,761	63,227
Office costs	24,899	195	2,331	30,402	57,827	53,249
	<u>140,340</u>	<u>615</u>	<u>56,234</u>	<u>233,896</u>	<u>431,085</u>	<u>413,062</u>
Share of support costs (see note 10)	94,296	4,488	2,362	9,843	110,989	113,119
Share of governance costs (see note 10)	5,067	-	-	14	5,081	8,197
	<u>239,703</u>	<u>5,103</u>	<u>58,596</u>	<u>243,753</u>	<u>547,155</u>	<u>534,378</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	239,703	615	54,236	43,221	337,775	226,454
Restricted funds	-	4,488	4,360	200,532	209,380	307,924
	<u>239,703</u>	<u>5,103</u>	<u>58,596</u>	<u>243,753</u>	<u>547,155</u>	<u>534,378</u>

**For the year ended 31 March 2020**

	Public Benefit £	Education £	Quality of Life £	Health and Wellbeing £	Total 2020 £
Staff costs	67,238	1,794	30,348	197,206	296,586
Premises and other costs	38,436	2,055	5,827	16,909	63,227
Office costs	8,499	354	3,902	40,494	53,249
	<u>114,173</u>	<u>4,203</u>	<u>40,077</u>	<u>254,609</u>	<u>413,062</u>
Share of support costs (see note 10)	93,156	4,502	2,361	13,100	113,119
Share of governance costs (see note 10)	6,928	1,087	-	182	8,197
	<u>214,257</u>	<u>9,792</u>	<u>42,438</u>	<u>267,891</u>	<u>534,378</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	214,257	-	2,361	9,836	226,454
Restricted funds	-	9,792	40,077	258,055	307,924
	<u>214,257</u>	<u>9,792</u>	<u>42,438</u>	<u>267,891</u>	<u>534,378</u>

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10 Support costs**

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	39,371	-	39,371	39,346	-	39,346
Depreciation	74,374	-	74,374	76,528	-	76,528
Audit fees	-	-	-	-	4,000	4,000
Accountancy	-	4,746	4,746	-	2,474	2,474
Legal and professional	-	-	-	-	144	144
Subscriptions	-	335	335	-	1,579	1,579
	<u>113,745</u>	<u>5,081</u>	<u>118,826</u>	<u>115,874</u>	<u>8,197</u>	<u>124,071</u>
Analysed between						
Fundraising	2,756	-	2,756	2,755	-	2,755
Charitable activities	110,989	5,081	116,070	113,119	8,197	121,316
	<u>113,745</u>	<u>5,081</u>	<u>118,826</u>	<u>115,874</u>	<u>8,197</u>	<u>124,071</u>

CEO's salary is allocated following an assessment of the time spent in monitoring and supervising front line staff and for running activities herself.

Depreciation is allocated to Public Benefit as all other activities are funded by restricted funds.

The majority of governance costs are allocated to Public Benefit as all other activities are funded by restricted funds with the exception of subscriptions which are allocated based on which activity incurred the cost.

Governance costs includes payments to the independent examiner of £2,850 (2020 - £4,000 (audit fee)) for independent examination fees.

**11 Auditor's remuneration**

The analysis of auditor's remuneration is as follows:

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	-	4,000
<b>Non-audit services</b>		
Independent examination fees	2,850	-
Accountancy fees	1,896	2,474
<b>Total non-audit fees</b>	<u>4,746</u>	<u>2,474</u>

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**12 Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year, and no trustees were reimbursed expenses (2020, £nil).

**13 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	13	13
Administration	3	3
	<u>16</u>	<u>16</u>

**Employment costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	328,155	302,840
Social security costs	21,589	20,236
Other pension costs	14,124	12,856
	<u>363,868</u>	<u>335,932</u>

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

**14 Transfers**

Transfers relate to a proportion of the overhead costs charged to the individual projects (see note 21).

During the year, the redundancy reserve was increased to reflect staff changes during the year (see note 22).

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**15 Tangible fixed assets**

	Short leasehold land and buildings	Building equipment	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	1,831,596	90,172	31,363	23,814	1,976,945
Additions	-	-	-	2,220	2,220
At 31 March 2021	1,831,596	90,172	31,363	26,034	1,979,165
<b>Depreciation and impairment</b>					
At 1 April 2020	1,188,236	90,172	31,363	23,814	1,333,585
Depreciation charged in the year	73,264	-	-	1,110	74,374
At 31 March 2021	1,261,500	90,172	31,363	24,924	1,407,959
<b>Carrying amount</b>					
At 31 March 2021	570,096	-	-	1,110	571,206
At 31 March 2020	643,360	-	-	-	643,360

During the year part of the leasehold property was rented out by the charity to other charitable organisations. The fair value of this component part of the property cannot be reliably measured without undue cost to the charity.

**16 Financial instruments**

	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	234,520	190,935
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	14,032	14,446

**17 Debtors**

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	82,093	73,556
Prepayments and accrued income	5,353	5,326
	87,446	78,882

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**18 Creditors: amounts falling due within one year**

	Notes	2021 £	2020 £
Other taxation and social security		5,959	5,596
Government grants	19	36,955	-
Trade creditors		4,992	9,856
Other creditors		4,294	3,987
Accruals and deferred income		4,746	603
		<u>56,946</u>	<u>20,042</u>

**19 Government grants**

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	36,955	-
	<u>36,955</u>	<u>-</u>

	2021 £	2020 £
Total deferred income at 1 April 2020	-	-
Amounts received in year	36,955	-
Amounts credited to statement of financial activities	-	-
Total deferred income at 31 March 2021	<u>36,955</u>	<u>-</u>

Deferred income relates to amounts received in advance of entitlement.

**20 Retirement benefit schemes**

**Defined contribution schemes**

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

The charge to profit or loss in respect of defined contribution schemes was £14,125 (2020 - £12,856).

**NETHERTON FEELGOOD FACTORY  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**21 Restricted funds**

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

	Balance at 1 April 2019 £	Movement in funds			Transfers £	Balance at 1 April 2020 £	Movement in funds			Transfers £	Balance at 31 March 2021 £
		Income £	Expenditure £				Income £	Expenditure £			
Healthy Living Centre	43,074	168,063	(132,908)		(30,119)	48,110	162,058	(138,527)		(28,245)	43,396
Comic Relief	3,084	20,217	(18,324)		(1,779)	3,198	20,347	(6,963)		-	16,582
Breastfeeding Support Sefton	11,406	40,283	(30,556)		(7,972)	13,161	40,000	(28,466)		(7,972)	16,723
Other funds	19,814	117,550	(127,391)		(21,601)	(11,628)	30,904	(35,545)		43,491	27,222
	<u>77,378</u>	<u>346,113</u>	<u>(309,179)</u>		<u>(61,471)</u>	<u>52,841</u>	<u>253,309</u>	<u>(209,501)</u>		<u>7,274</u>	<u>103,923</u>

The Healthy Living Centre Project provides a wide range of activities to improve health and well being.

The Comic Relief funding to develop active ageing projects to enable older people to undertake group-based volunteering activity, making a difference to their communities and interacting with their peer.

The Breastfeeding Sefton project is for peer-led support for mothers and mothers-to-be to encourage and enable breastfeeding throughout Sefton.

Included in Other Funds are Drop in and Garden Project.

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**22 Designated funds**

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

	Balance at 1 April 2019 £	Transfers £	Balance at 1 April 2020 £	Transfers £	Balance at 31 March 2021 £
Redundancy reserve	78,198	6,404	84,602	7,410	92,012
Maintenance fund	14,400	-	14,400	-	14,400
	<u>92,598</u>	<u>6,404</u>	<u>99,002</u>	<u>7,410</u>	<u>106,412</u>

The Redundancy reserve has been designated to cover the costs of redundancy payments should the organisation cease to operate.

The Maintenance fund has been designated to cover the ongoing regular but infrequent costs associated with the maintenance of the building.

**NETHERTON FEELGOOD FACTORY  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

23 Analysis of net assets between funds		Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
		2021	£	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 31 March 2021 are represented by:																	
Tangible assets		571,206		-		-		571,206		643,360		-		-		643,360	
Current assets/(liabilities)		(27,408)		106,412		103,923		182,927		24,376		99,002		52,841		176,219	
		543,798		106,412		103,923		754,133		667,736		99,002		52,841		819,579	

**NETHERTON FEELGOOD FACTORY  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**24 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	6,259	5,580
Between two and five years	2,704	-
	<u>8,963</u>	<u>5,580</u>

**25 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	39,371	39,346
	<u>39,371</u>	<u>39,346</u>

Included within donations and gifts are donations from trustees and key management personnel totalling £205 (2020: £230). There were no other disclosable related party transactions during the year (2020 - none).

**26 Company Limited by Guarantee**

Netherton Feelgood Factory was incorporated as a company limited by guarantee under the Companies Act 1985 on 13 August 1998. The liability of the members is limited to £1.

