

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**FOR**  
**SHAP LIMITED**

C A Hunter Limited  
Statutory Auditors  
Britannia Chambers  
26 George Street  
St Helens  
Merseyside  
WA10 1BZ

**SHAP LIMITED**

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**FOR THE YEAR ENDED 31 MARCH 2022**

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**SHAP LIMITED**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

## **SHAP LIMITED**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 MARCH 2022**

#### **OBJECTIVES AND ACTIVITIES**

##### **Aims and objectives for the public benefit**

SHAP's principle activities continue to be the provision of accommodation with support and community well-being services. The focus of our work is young, single, homeless people, looked after children and care leavers. However, we also provide services for people of all ages or for those with specific needs such as those related to alcohol, drug mis-use or offending behaviour. Over the past three years we have also developed a service offer for asylum seekers, refugees and displaced Ukrainian families.

Our values as defined by our staff and service users are:

**Approachable:** being open, friendly and welcoming

**Trustworthy, honest and dependable:** being respectful and honest, doing the right thing, focussing on our service users and being committed to the organisation and our colleagues

**Safe:** making people feel safe and at home, giving them a sense of belonging, making SHAP a place where they feel able to return

**Creative:** delivering a diverse range of services, being dynamic and flexible in our approach and responsive to people's needs

**Positive:** looking for solutions, not problems, being helpful and confident, empowering people to take up opportunities

**Supportive:** listening, understanding, supporting people to achieve their goals, supporting each other

**Determined:** being persistent, going the extra mile, challenging poor attitudes and practices

**Respectful:** being generous in spirit, making people feel they matter, not judging and not discriminating

##### **Achievement and performance**

SHAP's services continue to be extremely busy and many of our accommodation services have a waiting list. SHAP's Board and Chief Executive continue to make sure that the charity's activities are in line with our core objective and values. In 2021/22 we provided services for nearly 2,000 people. As well as our core beneficiaries, young homeless people, we also provided new services for asylum seekers and refugees including people displaced from Afghanistan.

##### **Quality Assurance**

SHAP holds the ISO 9001:2015 quality mark and following re-inspection in 2021 we were re-accredited for a further three years. We have reviewed and revised our approach to internal audit against the ISO 9001 standard with the aim of assessing all services against key elements of the standard during the three-year cycle. This re-accreditation is a real achievement for the Quality Group and the person who has assumed part time responsibility for ISO:9001 management and oversight. The organisation's resources in this regard have reduced significantly since we initially achieved the quality mark and considerable work was required to ensure that we retained it.

##### **Succession planning**

SHAP's Board and Chief Executive have continued to focus on succession planning. The strategy for appointing a Chair Designate was successful and the new Chair of Trustees will take up her appointment in January 2023. The Board has also agreed a succession strategy for the Chief Executive as part of a plan to secure longer term stability for the charity. This plan is commercially sensitive and therefore remains confidential to the Board.

##### **Financial review**

In 2021/2022 the charity again produced a slight surplus but although this is encouraging, maintaining a positive financial performance poses an increasing financial challenge. We continue to operate a nursery setting whilst plans to transfer it out of the charity are reviewed. It is now likely that this transfer will take place in the first half of 2023. As a result of extremely tight operating margins, our treasury rules will not have any further review until March 2023 when extending some delegations will be considered.

SHAP continues to look for opportunities to work collaboratively with other agencies and organisations and is always open to discussions around mutually beneficial strategic partnerships.

## **SHAP LIMITED**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 MARCH 2022**

It is for these reasons that SHAP's Trustees believe that the charity remains a going concern for a period of at least the next 12 months.

#### **STRATEGIC REPORT**

##### **Financial risk**

We continue to review the viability of our services and their business plans in the context of national, regional and local politics and decision making. This has been and remains extremely challenging. The current cost of living crisis and a sector wide workforce shortage have combined to produce an exceptionally difficult financial landscape for the charity. The need to make a meaningful pay award to our staff meant that some planned developments and a senior management appointment had to be abandoned. Increasing pressure on local authority budgets following on from 12 years of austerity, mean that the gap between the fees we receive for delivering services and the cost of those services is growing rapidly.

We will continue to look for ways to generate additional income which can support our core funds and to ensure that our services are as cost effective and efficient as they can be. We plan to commission an external assessment of the impact that our services have, both in terms of outcomes for our service users and cost benefits for our Commissioners. We believe that our services for young people in particular, present outstanding value for money to Children and Young People's Services and that a cost benefit analysis will demonstrate this. SHAP maintains a risk register which identifies all the key risks that the charity faces at any given time. The risk register identifies a number of financial risks that face the charity and grades them in terms of the likelihood of them happening. We then describe how we manage or mitigate these risks. The risk register is reviewed regularly by the Chief Executive, Finance Officer and senior managers and is discussed by the Board at least twice a year. During the financial year we regularly review the significant risk of failing to deliver against our cost controls and recovery targets. Increasing pressure costs, particularly around energy and building materials, lead to this risk being increased. With risks associated with Covid still significant, we also face short to medium term uncertainty as a result of high inflation, political instability and escalating workforce challenges.

##### **Transactions and financial position**

The current financial climate is reflected in SHAP's financial position as it manages to sustain increasing services with decreasing resources. The pattern of funds is changing between restricted and unrestricted income as some of our funders are increasingly aware of the need for us to be more flexible with our resources.

The statement of financial activities shows a surplus of £95,877 (2021 surplus of £163,307). Total reserves carried forward as at 31 March 2022 stand at £624,894 (2021: £529,017) with unrestricted funds of £624,894 (2021: £529,017) and restricted funds of £nil (2021: £nil).

The charity continues to hold restricted and unrestricted funds and to maintain reserves in line with its Reserves Policy. The aim of the policy is to maintain a reserve of unrestricted funds at a level that will enable the charity to operate for an optimum period of 6 months and a minimum period of 3 months. The Board of Trustees regularly review the amount of reserves that are required to ensure that this financial stability is maintained and that the charity is able to continue to fulfil its obligations. This policy has been reviewed in light of the increased use of core funds during financial years 2017-18 and 2018-19. This resulted in a diminished reserve but one which still meets our minimum requirement of 3 months' running costs. The Trustees and our Auditors are satisfied that our provision and our process for monitoring are prudent and appropriate. They will continue to review this situation every 6 months.

## **SHAP LIMITED**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 MARCH 2022**

#### **STRATEGIC REPORT**

##### **Future plans**

##### **Future plans - Our strategy for the future**

The Trustees and executive management of the organisation will continue to refresh our strategic business development plans. We want to ensure that the organisation is able to meet the challenges of the far-reaching changes which will be affecting the public and third sectors over the coming months and years.

We remain committed to the following objectives:

1. Contributing to the creation of sustainable communities in the area where we work and to the prevention of homelessness.
2. Communicating brilliantly.
3. Promoting diversity, anti-racism and social justice.
4. Achieving a structure that ensures maximum stability for our existing services and provides best opportunities for growth; a clear, strong, effective and flexible management structure.
5. Having skilled and motivated staff empowering service users who have access to a wide range of opportunities.
6. Enabling people's views about their own situations to be heard.
7. Enabling children and young people to make a positive impact on the world around them.

In pursuit of these objectives the Board has agreed an important strategic development: SHAP's primary offer has always been providing young people with good standard accommodation and structured support around life skills and independent living. Over recent years we have seen a marked increase in young people who also have significant care needs. These needs must be met in order for them to confidently move towards independence. SHAP will therefore look to realign some of its service offers and develop new ones which will enable us to develop models of care and support. Initially this will be through the development of models of semi-independent living for children and young people who are looked after by local authorities or preparing to leave their care. We are confident that our values and core expertise provide a good foundation for such a service development and will ensure that suitably experienced and qualified managers are brought into the organisation to ensure their effective delivery.

We believe that the pandemic has shown the importance of public/private collaboration at a national and local level and as an organisation we are keen to work in the space. Many local authorities will be making service changes because of financial pressures but this will create a need for innovation. Health and social care services will be commissioned and delivered differently over the next few years and a focus on population health measures delivered at a local level will again provide opportunities for imaginative collaborative responses from public and third sector organisations. SHAP intends to become a leading provider/enabler of these community well-being services.

Following a protracted negotiation around the management of a housing scheme at Octavia Court in Huyton, Knowsley SHAP made an offer to buy. The Housing Association that owned the properties accepted and SHAP completed the purchase in July 2022. This 24 flat scheme is a long term investment which is planned to support the purchase of further properties in the future.

## **SHAP LIMITED**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 MARCH 2022**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

SHAP Limited is a charitable company, limited by guarantee, incorporated in September 1985 and registered as a charity. The company was established under its Memorandum and Articles of Association that set out the objects and powers of the charitable company. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

##### **Trustees**

The directors of the charitable company are also Trustees for the purpose of charity law. Trustees are known as members of the management Board of Trustees and are elected to serve for a period of three years, after which they may be re-elected at the next annual general meeting.

Our aim to recruit new Trustees in 2020 was delayed as a direct result of the Covid-19 pandemic. In the Autumn of 2021 we recruited a new Trustee who will join the Board in 2022. We have also successfully recruited a Chair Designate who will replace our current Chair in January 2023.

##### **Induction and training of new trustees**

New trustees are invited to attend meetings with the chief executive and the senior management team to familiarise themselves with the charitable company's activities and the context within which it operates. Areas covered would include the obligations and responsibilities of becoming a trustee, a review of the governing document and the current financial position.

##### **Organisational structure**

The Board of Trustees, of which there is no maximum number but a minimum number of two, meets quarterly to administer activities and set the policy and strategic direction of the charity. The Board elects the Chair every three years who is responsible for organising Board meetings and meeting regularly with the Chief Executive. A published scheme of delegation sets out the responsibilities which the Board keeps to itself and those which it delegates to the Chief Executive and managers. The day to day responsibility of the provision of services and overall management of the charity rests with the Chief Executive who also acts as the Company Secretary.

##### **Related parties**

SHAP delivers three services in partnership with other agencies - a homeless families centre and a harm reduction residential service in Liverpool in partnership with The Whitechapel Centre and a floating support service in Halton in partnership with Plus Dane Housing.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

01946544 (England and Wales)

##### **Registered Charity number**

1075118

##### **Registered office**

Lakeside Building  
Prescot Road  
St Helens  
Merseyside  
WA10 3TT

##### **Trustees**

M Milton  
S Cotter-Burgess  
P J Barron  
D Williams (appointed 6.5.22)

**SHAP LIMITED**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Secretary**

M C Weights

**Auditors**

C A Hunter Limited  
Statutory Auditors  
Britannia Chambers  
26 George Street  
St Helens  
Merseyside  
WA10 1BZ

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of SHAP Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, C A Hunter Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 December 2022 and signed on the board's behalf by:



M C Weights - Secretary



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SHAP LIMITED**

**Opinion**

We have audited the financial statements of SHAP Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SHAP LIMITED**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SHAP LIMITED**

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- we have ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with senior managers and the trustees, and from our commercial knowledge and experience of the industry sector, and the relevant laws and regulations have been communicated within the audit team throughout the course of our work;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities SORP, coronavirus legislation, employment, health and safety legislation; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing management reporting processes to the board of trustees;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the Charity Commission and other relevant regulators.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SHAP LIMITED**


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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Keith Rotheram (Senior Statutory Auditor)  
for and on behalf of C A Hunter Limited  
Statutory Auditors  
Britannia Chambers  
26 George Street  
St Helens  
Merseyside  
WA10 1BZ

19 December 2022

**SHAP LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,965	-	1,965	2,342
<b>Charitable activities</b>					
Accommodation & support services		3,195,035	-	3,195,035	3,178,701
Advocacy services		7,546	-	7,546	-
Community development		49,017	-	49,017	58,000
Children's nursery		480,443	-	480,443	589,131
Big Lottery help through crisis		-	-	-	50,938
<b>Total</b>		<u>3,734,006</u>	<u>-</u>	<u>3,734,006</u>	<u>3,879,112</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Accommodation & support services		3,064,489	-	3,064,489	3,086,995
Advocacy services		25,221	-	25,221	24,302
Community development		67,976	-	67,976	62,884
Children's nursery		480,443	-	480,443	454,253
Big Lottery help through crisis		-	-	-	87,371
<b>Total</b>		<u>3,638,129</u>	<u>-</u>	<u>3,638,129</u>	<u>3,715,805</u>
<b>NET INCOME</b>		95,877	-	95,877	163,307
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		529,017	-	529,017	365,710
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>624,894</u></u>	<u><u>-</u></u>	<u><u>624,894</u></u>	<u><u>529,017</u></u>

The notes form part of these financial statements

**SHAP LIMITED****BALANCE SHEET**  
**31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	211,113	-	211,113	217,988
<b>CURRENT ASSETS</b>					
Debtors	12	357,943	-	357,943	243,680
Cash at bank		582,443	-	582,443	552,875
		<hr/> 940,386	<hr/> -	<hr/> 940,386	<hr/> 796,555
<b>CREDITORS</b>					
Amounts falling due within one year	13	(526,605)	-	(526,605)	(485,526)
<b>NET CURRENT ASSETS</b>		<hr/> 413,781	<hr/> -	<hr/> 413,781	<hr/> 311,029
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 624,894	<hr/> -	<hr/> 624,894	<hr/> 529,017
<b>NET ASSETS</b>		<hr/> 624,894	<hr/> -	<hr/> 624,894	<hr/> 529,017
<b>FUNDS</b>	14				
Unrestricted funds:					
General fund				349,894	254,017
Designated unrestricted funds				275,000	275,000
				<hr/> 624,894	<hr/> 529,017
<b>TOTAL FUNDS</b>				<hr/> 624,894	<hr/> 529,017

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2022 and were signed on its behalf by:



M Milton - Trustee



P J Barron - Trustee

The notes form part of these financial statements

**SHAP LIMITED**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	31.3.22 £	31.3.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	29,568	310,680
Net cash provided by operating activities		29,568	310,680
<b>Change in cash and cash equivalents in the reporting period</b>		29,568	310,680
<b>Cash and cash equivalents at the beginning of the reporting period</b>		552,875	242,195
<b>Cash and cash equivalents at the end of the reporting period</b>		582,443	552,875

The notes form part of these financial statements

**SHAP LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
	31.3.22	31.3.21
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	95,877	163,307
<b>Adjustments for:</b>		
Depreciation charges	6,874	9,858
(Increase)/decrease in debtors	(114,262)	36,074
Increase in creditors	41,079	101,441
	<hr/>	<hr/>
<b>Net cash provided by operations</b>	<u>29,568</u>	<u>310,680</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
<b>Net cash</b>			
Cash at bank	552,875	29,568	582,443
	<hr/>	<hr/>	<hr/>
	552,875	29,568	582,443
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<u>552,875</u>	<u>29,568</u>	<u>582,443</u>

The notes form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

As outlined in the Trustees' Report, the board continues to monitor the financial performance of the charity and undertake appropriate steps to maintain its ongoing financial stability. The Trustees are satisfied that the charity has sufficient reserves to enable it to continue to implement the steps outlined, and improve its financial performance.

Having considered these factors outlined above the trustees consider it appropriate to prepare the financial statements on the going concern basis.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% - 33% on cost
Fixtures and fittings	- 20% - 33% on cost
Motor vehicles	- 25% on reducing balance

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by management for particular purposes.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. DONATIONS AND LEGACIES**

	31.3.22	31.3.21
	£	£
Donations	1,965	2,342

**3. INCOME FROM CHARITABLE ACTIVITIES**

		31.3.22	31.3.21
	Activity	£	£
Rental income	Accommodation & support services	1,071,518	1,061,150
Grants & contracts	Accommodation & support services	2,076,224	2,089,371
Other fees earned	Accommodation & support services	47,293	28,180
Grants & contracts	Advocacy services	7,546	-
Grants & contracts	Community development	49,017	58,000
Nursery income	Children's nursery	480,443	589,131
Grants & contracts	Big Lottery help through crisis	-	50,938
		<u>3,732,041</u>	<u>3,876,770</u>

Grants received, included in the above, are as follows:

	31.3.22	31.3.21
	£	£
Supporting People - St Helens	694,837	671,845
Supporting People - Knowsley	222,551	208,684
Supporting people - Halton	237,551	237,551
Supporting People - Liverpool	717,342	741,664
Liverpool Advocacy Services	7,546	-
Community Development	49,017	58,000
BIG Lottery help through crisis	-	50,938
Temporary Accommodation Management	95,499	81,527
Parental Assessment Unit	108,444	97,894
Homeless Link	-	50,206
	<u>2,132,787</u>	<u>2,198,309</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Accommodation & support services	2,687,303	377,186	3,064,489
Advocacy services	25,221	-	25,221
Community development	60,224	7,752	67,976
Children's nursery	480,443	-	480,443
	<u>3,253,191</u>	<u>384,938</u>	<u>3,638,129</u>

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**5. SUPPORT COSTS**

	Management	Governance	Totals
	£	costs	£
Accommodation & support services	375,865	1,321	377,186
Community development	<u>7,752</u>	<u>-</u>	<u>7,752</u>
	<u>383,617</u>	<u>1,321</u>	<u>384,938</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22	31.3.21
	£	£
Auditors' remuneration	14,000	14,000
Depreciation - owned assets	6,875	9,857
Other operating leases	<u>548,205</u>	<u>575,250</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**8. STAFF COSTS**

	31.3.22	31.3.21
	£	£
Wages and salaries	2,202,955	2,271,340
Furlough grants received	(2,824)	(57,774)
Social security costs	131,905	136,153
Pension costs	<u>40,604</u>	<u>40,074</u>
	<u>2,372,640</u>	<u>2,389,793</u>

Included within wages this year are invoiced costs totalling £267,695 (2021 £280,744) paid to The Whitechapel Centre for staffing costs they have incurred in relation to the Belvidere Family Hostel and £79,146 (2021 £9,866) of agency staff.

Number of employees with emoluments exceeding £60,000:

	31.3.22	31.3.21
	Number	Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

The average number of full-time equivalent employees during the year was as follows:

31.3.22	31.3.21
£	£

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8. STAFF COSTS - continued**

Central services	7	7
Housing and residential services	90	102
	<hr/> 97	<hr/> 109
	<hr/> <hr/>	<hr/> <hr/>

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2,342	-	2,342
<b>Charitable activities</b>			
Accommodation & support services	3,178,701	-	3,178,701
Community development	58,000	-	58,000
Children's nursery	589,131	-	589,131
Big Lottery help through crisis	50,938	-	50,938
	<hr/>	<hr/>	<hr/>
<b>Total</b>	3,879,112	-	3,879,112
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Accommodation & support services	3,086,995	-	3,086,995
Advocacy services	24,302	-	24,302
Community development	62,884	-	62,884
Children's nursery	454,253	-	454,253
Big Lottery help through crisis	87,371	-	87,371
	<hr/>	<hr/>	<hr/>
<b>Total</b>	3,715,805	-	3,715,805
	<hr/>	<hr/>	<hr/>
<b>NET INCOME</b>	163,307	-	163,307
<b>Transfers between funds</b>	1,229	(1,229)	-
	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>	164,536	(1,229)	163,307
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	364,481	1,229	365,710
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	529,017	-	529,017
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**10. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 April 2021 and 31 March 2022	4,000
<b>AMORTISATION</b>	
At 1 April 2021 and 31 March 2022	4,000
<b>NET BOOK VALUE</b>	
At 31 March 2022	-
At 31 March 2021	-

**11. TANGIBLE FIXED ASSETS**

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 April 2021 and 31 March 2022	219,622	134,917	73,875	40,635	469,049
<b>DEPRECIATION</b>					
At 1 April 2021	4,392	133,583	73,875	39,211	251,061
Charge for year	4,392	1,334	-	1,149	6,875
At 31 March 2022	8,784	134,917	73,875	40,360	257,936
<b>NET BOOK VALUE</b>					
At 31 March 2022	210,838	-	-	275	211,113
At 31 March 2021	215,230	1,334	-	1,424	217,988

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22 £	31.3.21 £
Trade debtors	272,692	210,772
Other debtors	85,251	32,908
	357,943	243,680

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22	31.3.21
	£	£
Trade creditors	151,222	55,814
Social security and other taxes	36,256	32,565
Accruals and deferred income	339,127	397,147
	<u>526,605</u>	<u>485,526</u>

**14. MOVEMENT IN FUNDS**

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
General fund	254,017	95,877	349,894
Designated unrestricted funds	275,000	-	275,000
	<u>529,017</u>	<u>95,877</u>	<u>624,894</u>
<b>TOTAL FUNDS</b>	<u>529,017</u>	<u>95,877</u>	<u>624,894</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,734,006	(3,638,129)	95,877
	<u>3,734,006</u>	<u>(3,638,129)</u>	<u>95,877</u>
<b>TOTAL FUNDS</b>	<u>3,734,006</u>	<u>(3,638,129)</u>	<u>95,877</u>

**Comparatives for movement in funds**

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	89,481	163,307	1,229	254,017
Designated unrestricted funds	275,000	-	-	275,000
	<u>364,481</u>	<u>163,307</u>	<u>1,229</u>	<u>529,017</u>
<b>Restricted funds</b>				
Moonhill activities	729	-	(729)	-
St Helens provider forum	500	-	(500)	-
	<u>1,229</u>	<u>-</u>	<u>(1,229)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>365,710</u>	<u>163,307</u>	<u>-</u>	<u>529,017</u>

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**14. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,879,112	(3,715,805)	163,307
<b>TOTAL FUNDS</b>	<u>3,879,112</u>	<u>(3,715,805)</u>	<u>163,307</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
General fund	89,481	259,184	1,229	349,894
Designated unrestricted funds	275,000	-	-	275,000
	<u>364,481</u>	<u>259,184</u>	<u>1,229</u>	<u>624,894</u>
<b>Restricted funds</b>				
Moonhill activities	729	-	(729)	-
St Helens provider forum	500	-	(500)	-
	<u>1,229</u>	<u>-</u>	<u>(1,229)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>365,710</u>	<u>259,184</u>	<u>-</u>	<u>624,894</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	7,613,118	(7,353,934)	259,184
<b>TOTAL FUNDS</b>	<u>7,613,118</u>	<u>(7,353,934)</u>	<u>259,184</u>

**SHAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**15. RELATED PARTY DISCLOSURES**

S Cotter-Burgess, during the year, was a director in Merseyside Law Centre Limited. A balance of £3,763 (2021 £nil) was owed from Merseyside Law Centre Limited at the balance sheet date.

**16. ANALYSIS OF FUNDS**

**Designated unrestricted funds**

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Closure/redundancy costs	275,000	-	275,000
	<u>275,000</u>	<u>-</u>	<u>275,000</u>

Closure costs - Costs designated for the recognised risk of losing a significant number of service contracts and the subsequent loss of jobs that this would entail.

**17. DEFERRED INCOME**

Deferred income comprises grant income received in advance from block contracts relating to services to be provided during the year ending 31 March 2023.

	£
Balance as at 1 April 2021	41,547
Amount released to incoming resources	(41,547)
Amount deferred in year	<u>25,824</u>
Balance as at 31 March 2022	<u>25,824</u>



### **DETAILED STATEMENT OF FINANCIAL ACTIVITIES** **FOR THE YEAR ENDED 31 MARCH 2022**

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**SHAP LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	31.3.22	31.3.21
	£	£
<b>Management</b>		
Brought forward	289,051	341,889
Advertising	1,885	1,095
Sundries	5,019	5,876
Cleaning, laundry & refuse	197	83
Transport & motor expenses	15,033	18,358
Food & catering	-	362
Consultancy	-	5,992
Computer costs	28,559	47,716
Publications & affiliations	22,557	3,802
Training	13,127	13,107
Security	1,315	708
Tools & equipment	-	1,444
Freehold property	4,392	4,392
Plant and machinery	1,333	2,108
Motor vehicles	1,149	2,621
	<hr/> 383,617	<hr/> 449,553
<b>Governance costs</b>		
Auditors' remuneration	14,000	14,000
Legal & professional fees	(18,147)	35,929
Bank charges	5,468	5,001
	<hr/> 1,321	<hr/> 54,930
Total resources expended	<hr/> 3,638,129	<hr/> 3,715,805
<b>Net income</b>	<hr/> <hr/> 95,877	<hr/> <hr/> 163,307

This page does not form part of the statutory financial statements