

REGISTERED COMPANY NUMBER: 01946544 (England and Wales)
REGISTERED CHARITY NUMBER: 1075118

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
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 2025

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SHAP LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

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 2025. 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 2025**

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 its work is young single homeless people, looked after children and care leavers. However the charity also provides services for people of all ages or for those with specific needs such as those related to alcohol, drug mis-use or offending behaviour.

The charity's values as defined by 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 service users and being committed to the organisation and to 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 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

Achievements and Performance

SHAP's services continue to be extremely busy. The past two years have seen an extraordinary increase in homelessness - particularly rough sleeping. SHAP is continuing to work with Local Authorities and other partners to identify ways to address this homelessness crisis. In 2023 - 2024 SHAP provided services for over 1800 people. SHAP's Board and Chief Executive continue to make sure that the charity's activities are in line with the charity's core objectives and values.

Quality Assurance

During the year 2023-2024 SHAP took the decision not to renew our certification with ISO9001 2015. This was because of the charity's application to become a registered provider of services under the Supported Accommodation Regulations of 2023. These regulations govern the position of supported accommodation for young people who are 16 or 17. SHAP has chosen to use these regulations and accompanying standards as the core of its quality assurance framework in the future. Many of the tools that were developed to support the ISO9001 2015 Quality Assurance Framework will continue to be used and an internal audit programme will be published at the beginning of each year. Quality assurance is once again within the job role of the senior manager and performance will be reported to the Board on a quarterly basis.

Succession Planning

SHAP's Board and Chief Executive continued with their focus on succession planning during this year. The Board's succession strategy agreed in 2023 is underway and will gather momentum during 2024-2025. This strategy is commercially sensitive and therefore remains confidential to the Charity's Board.

Financial Review

SHAP LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

In 2023-2024 the charity was able to produce a slight surplus. An increasingly challenging financial environment has meant tight financial controls have had to remain in place. Full cost recovery has not been possible for many services over recent years, as contract fees have failed to keep pace with rising inflation. The charity has just managed to retain financial stability through challenges such as exponential increases in energy costs and inflationary pressures on salaries, food, building materials and transport costs. Further challenges now lie ahead as increases to the national minimum wage and the national living wage - in addition to an increase of 1.2% in Employers National Insurance Contributions - will create further upward pressure on salary costs. SHAP, along with many other charities, has called for charities to be exempt from this NI increase.

The plan to transfer the charity's nursery setting out of the Charity and into another mechanism has been delayed due to lease and contractual issues and will now take place in 2025.

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.

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.

SHAP LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial Risk

SHAP continues to review the viability of all its services in the context of national, regional and local politics and decision making. This has been and remains extremely challenging. The financial crisis of recent years, combined with a sector wide workforce shortage, have produced an exceptionally difficult set of financial circumstances. For the third year in succession SHAP has made a substantial pay award to its staff. A fixed sum for all staff has been agreed as the most equitable way of delivering this and will continue to be the formula on which collective bargaining around pay is based.

Achieving full cost recovery for many of the charity's service contracts is now virtually impossible. Contract budgets were generally set to increase at around 2-2.2% each year but in reality costs have risen by an average of 8% over the past two years.

SHAP continues to look for ways to generate additional income which can support core funds whilst ensuring that services are as cost effective and efficient as they can be. SHAP's services for young people present outstanding value for money and our strategic plan includes an objective around developing a wider offer for the young people - including providing care as well as support. This requires specialist knowledge and experience and we are developing a senior management post to lead the management and development of care and support services for young people.

SHAP maintains a risk register which identifies all the key risks that the charity is facing at any given time. The risk register identifies a number of financial risks that the charity faces and grades them in terms of likelihood. SHAP's leadership team then set out how these risks will be managed or mitigated. The risk register is reviewed regularly by the Chief Executive, the Finance Officer and Senior Managers and is discussed by the Board twice a year.

Detailed quarterly management accounts are provided to the Board to enable them to review the significant risk of our failing to deliver against our cost controls. Increasing pressure costs, particularly around energy and building materials, have led to this risk being increased. Although less than in previous years risks associated with Covid are still present and we also face continuing 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 £10,402 (2023 surplus of £78,697). Total reserves carried forward as at 31 March 2024 stand at £713,993 (2023: £703,591) with unrestricted funds of £713,993 (2023: £693,538) and restricted funds of £nil (2023: £10,053).

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 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 2025

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.

SHAP LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

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.

The Charity successfully recruited a chair designate in 2022 - Diane Williams became Chair during the period covered by these accounts. The Trustees recorded their grateful thanks to Mary Milton who had undertaken the role of Chair of Trustees for a number of years.

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

Bearly House
67 Liverpool Road
St Helens
Merseyside
WA10 1PQ

Trustees

M Milton
P J Barron
D Williams (resigned 26.3.25)
M P Kelly (appointed 26.3.25)

SHAP LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

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 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 2025 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 2025 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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHAP LIMITED

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, 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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHAP LIMITED

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. 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

Date:

SHAP LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,762	-	1,762	5,209
Charitable activities	4				
Accommodation & support services		3,818,997	-	3,818,997	3,816,115
Community development		42,078	-	42,078	56,712
Children's nursery		552,311	-	552,311	528,343
Investment income	3	8,440	-	8,440	5,801
Total		<u>4,423,588</u>	<u>-</u>	<u>4,423,588</u>	<u>4,412,180</u>
EXPENDITURE ON					
Charitable activities	5				
Accommodation & support services		3,775,183	-	3,775,183	3,790,163
Community development		62,625	-	62,625	57,370
Children's nursery		550,676	-	550,676	554,245
Total		<u>4,388,484</u>	<u>-</u>	<u>4,388,484</u>	<u>4,401,778</u>
NET INCOME		35,104	-	35,104	10,402
RECONCILIATION OF FUNDS					
Total funds brought forward		713,993	-	713,993	703,591
TOTAL FUNDS CARRIED FORWARD		<u><u>749,097</u></u>	<u><u>-</u></u>	<u><u>749,097</u></u>	<u><u>713,993</u></u>

The notes form part of these financial statements

SHAP LIMITED**BALANCE SHEET****31 MARCH 2025**

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	12	1,225,293	-	1,225,293	1,246,987
CURRENT ASSETS					
Debtors	13	531,354	-	531,354	411,066
Cash at bank and in hand		299,958	-	299,958	251,723
		<u>831,312</u>	<u>-</u>	<u>831,312</u>	<u>662,789</u>
CREDITORS					
Amounts falling due within one year	14	(654,018)	-	(654,018)	(502,987)
NET CURRENT ASSETS		<u>177,294</u>	<u>-</u>	<u>177,294</u>	<u>159,802</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,402,587	-	1,402,587	1,406,789
CREDITORS					
Amounts falling due after more than one year	15	(653,490)	-	(653,490)	(692,796)
NET ASSETS		<u>749,097</u>	<u>-</u>	<u>749,097</u>	<u>713,993</u>
FUNDS	18				
Unrestricted funds:					
General fund				433,103	423,901
Designated unrestricted funds				315,994	290,092
				<u>749,097</u>	<u>713,993</u>
TOTAL FUNDS				<u>749,097</u>	<u>713,993</u>

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

.....
P J Barron - Trustee

.....
M P Kelly - Trustee

SHAP LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	118,812	60,870
Interest paid		(41,739)	(43,961)
Net cash provided by operating activities		<u>77,073</u>	<u>16,909</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(3,118)
Interest received		8,440	5,801
Net cash provided by investing activities		<u>8,440</u>	<u>2,683</u>
Cash flows from financing activities			
Loan repayments in year		(37,278)	(35,055)
Net cash used in financing activities		<u>(37,278)</u>	<u>(35,055)</u>
Change in cash and cash equivalents in the reporting period		<u>48,235</u>	<u>(15,463)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>251,723</u>	<u>267,186</u>
Cash and cash equivalents at the end of the reporting period		<u><u>299,958</u></u>	<u><u>251,723</u></u>

The notes form part of these financial statements

SHAP LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25	31.3.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	35,104	10,402
Adjustments for:		
Depreciation charges	21,695	15,925
Interest received	(8,440)	(5,801)
Interest paid	41,739	43,961
Increase in debtors	(120,288)	(31,641)
Increase in creditors	149,002	28,024
Net cash provided by operations	<u>118,812</u>	<u>60,870</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	251,723	48,235	299,958
	<u>251,723</u>	<u>48,235</u>	<u>299,958</u>
Debt			
Debts falling due within 1 year	(37,277)	(2,029)	(39,306)
Debts falling due after 1 year	(692,796)	39,306	(653,490)
	<u>(730,073)</u>	<u>37,277</u>	<u>(692,796)</u>
Total	<u>(478,350)</u>	<u>85,512</u>	<u>(392,838)</u>

The notes form part of these financial statements

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2025**

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.

Freehold property	- 2% on cost
Long leasehold	- 2% on cost
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 2025

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	1,762	5,209
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Bank deposit interest	8,440	5,801
	<u> </u>	<u> </u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.25	31.3.24
	Activity	£	£
Rental income	Accommodation & support services	1,598,997	1,482,060
Grants & contracts	Accommodation & support services	2,207,104	2,300,339
Other fees earned	Accommodation & support services	12,896	33,716
Grants & contracts	Community development	42,078	56,712
Nursery income	Children's nursery	552,311	528,343
		<u> </u>	<u> </u>
		4,413,386	4,401,170
		<u> </u>	<u> </u>

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

	31.3.25	31.3.24
	£	£
Supporting People - St Helens	693,537	736,865
Supporting People - Knowsley	134,900	145,600
Supporting people - Halton	241,724	432,983
Supporting People - Liverpool	812,401	795,073
Community Development	42,078	56,712
Temporary Accommodation Management	37,086	123,787
Parental Assessment Unit	287,456	66,031
	<u> </u>	<u> </u>
	2,249,182	2,357,051
	<u> </u>	<u> </u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Accommodation & support services	3,239,621	535,562	3,775,183
Community development	62,625	-	62,625
Children's nursery	550,676	-	550,676
	<u> </u>	<u> </u>	<u> </u>
	3,852,922	535,562	4,388,484
	<u> </u>	<u> </u>	<u> </u>

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Accommodation & support services	440,082	41,739	53,741	535,562
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

7. NET INCOME/(EXPENDITURE)

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

	31.3.25	31.3.24
	£	£
Auditors' remuneration	15,000	15,000
Depreciation - owned assets	21,694	15,925
Other operating leases	591,990	604,058
	<u>591,990</u>	<u>604,058</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	2,479,510	2,548,174
Social security costs	157,788	154,083
Pension costs	43,999	48,348
	<u>2,681,297</u>	<u>2,750,605</u>

Included within wages this year are invoiced costs totalling £317,938 (2024 £270,464) paid to The Whitechapel Centre for staffing costs they have incurred in relation to the Belvidere Family Hostel and £192,510 (2024 £179,505) of agency staff.

Number of employees with emoluments exceeding £60,000:

	31.3.25	31.3.24
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
	<u>-</u>	<u>1</u>

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

	31.3.25	31.3.24
	£	£
Central services	6	7
Housing and residential services	85	90
	<u>91</u>	<u>97</u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,209	-	5,209
Charitable activities			
Accommodation & support services	3,816,115	-	3,816,115
Community development	56,712	-	56,712
Children's nursery	528,343	-	528,343
Investment income	5,801	-	5,801
Total	<u>4,412,180</u>	<u>-</u>	<u>4,412,180</u>
EXPENDITURE ON			
Charitable activities			
Accommodation & support services	3,780,110	10,053	3,790,163
Community development	57,370	-	57,370
Children's nursery	554,245	-	554,245
Total	<u>4,391,725</u>	<u>10,053</u>	<u>4,401,778</u>
NET INCOME/(EXPENDITURE)	20,455	(10,053)	10,402
RECONCILIATION OF FUNDS			
Total funds brought forward	693,538	10,053	703,591
TOTAL FUNDS CARRIED FORWARD	<u>713,993</u>	<u>-</u>	<u>713,993</u>

11. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2024 and 31 March 2025	<u>4,000</u>
AMORTISATION	
At 1 April 2024 and 31 March 2025	<u>4,000</u>
NET BOOK VALUE	
At 31 March 2025	<u>-</u>
At 31 March 2024	<u>-</u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

12. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1 April 2024 and 31 March 2025	1,138,309	137,122	147,823
DEPRECIATION			
At 1 April 2024	28,083	10,966	137,218
Charge for year	15,967	2,741	2,986
At 31 March 2025	44,050	13,707	140,204
NET BOOK VALUE			
At 31 March 2025	1,094,259	123,415	7,619
At 31 March 2024	1,110,226	126,156	10,605
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2024 and 31 March 2025	73,875	40,635	1,537,764
DEPRECIATION			
At 1 April 2024	73,875	40,635	290,777
Charge for year	-	-	21,694
At 31 March 2025	73,875	40,635	312,471
NET BOOK VALUE			
At 31 March 2025	-	-	1,225,293
At 31 March 2024	-	-	1,246,987

Included in cost or valuation of land and buildings is freehold land of £340,000 (2024 - £340,000) which is not depreciated.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade debtors	490,169	386,870
Other debtors	41,185	24,196
	<u>531,354</u>	<u>411,066</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Bank loans and overdrafts (see note 16)	39,306	37,277
Trade creditors	177,640	115,938
Social security and other taxes	38,630	38,229
Accruals and deferred income	398,442	311,543
	<u>654,018</u>	<u>502,987</u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.25	31.3.24
	£	£
Bank loans (see note 16)	653,490	692,796
	<u>653,490</u>	<u>692,796</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.3.25	31.3.24
	£	£
Amounts falling due within one year on demand:		
Bank loans	39,306	37,277
	<u>39,306</u>	<u>37,277</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	37,277	37,277
	<u>37,277</u>	<u>37,277</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	111,831	111,831
	<u>111,831</u>	<u>111,831</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	504,382	543,688

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.25	31.3.24
	£	£
Bank loans	692,796	730,073
	<u>692,796</u>	<u>730,073</u>

The bank loan is secured by a debenture creating a fixed & floating charge over the assets of the company and a legal first charge over Octavia Court, Byron Close, Huyton, Liverpool.

18. MOVEMENT IN FUNDS

	At 1.4.24	Net movement in funds	At 31.3.25
	£	£	£
Unrestricted funds			
General fund	397,999	35,104	433,103
Designated unrestricted funds	315,994	-	315,994
	<u>713,993</u>	<u>35,104</u>	<u>749,097</u>
TOTAL FUNDS	<u>713,993</u>	<u>35,104</u>	<u>749,097</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	4,423,588	(4,388,484)	35,104
	<u>4,423,588</u>	<u>(4,388,484)</u>	<u>35,104</u>
TOTAL FUNDS	<u>4,423,588</u>	<u>(4,388,484)</u>	<u>35,104</u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	377,544	20,455	25,902	423,901
Designated unrestricted funds	315,994	-	(25,902)	290,092
	693,538	20,455	-	713,993
Restricted funds				
Asylum seeker/refugee support fund	10,053	(10,053)	-	-
TOTAL FUNDS	<u>703,591</u>	<u>10,402</u>	<u>-</u>	<u>713,993</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,412,180	(4,391,725)	20,455
Restricted funds			
Asylum seeker/refugee support fund	-	(10,053)	(10,053)
TOTAL FUNDS	<u>4,412,180</u>	<u>(4,401,778)</u>	<u>10,402</u>

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

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	377,544	55,559	25,902	459,005
Designated unrestricted funds	315,994	-	(25,902)	290,092
	693,538	55,559	-	749,097
Restricted funds				
Asylum seeker/refugee support fund	10,053	(10,053)	-	-
TOTAL FUNDS	<u>703,591</u>	<u>45,506</u>	<u>-</u>	<u>749,097</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 £
Unrestricted funds			
General fund	8,835,768	(8,780,209)	55,559
Restricted funds			
Asylum seeker/refugee support fund	-	(10,053)	(10,053)
TOTAL FUNDS	<u>8,835,768</u>	<u>(8,790,262)</u>	<u>45,506</u>

SHAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

19. RELATED PARTY DISCLOSURES

There were no related party transactions during the year, or the prior 2024 year.

20. ANALYSIS OF FUNDS

Designated unrestricted funds

	At 1.4.24 £	Funds transfer £	At 31.3.25 £
Closure/redundancy costs	275,000	-	275,000
Children foundation	15,092	1,635	16,727
	<u>290,092</u>	<u>1,635</u>	<u>291,727</u>

Closure/redundancy 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.

Children foundation - Costs designated for the future transfer of the children's nursery into a new charitable organisation.

21. 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 2025.

	£
Balance as at 1 April 2024	24,531
Amount released to incoming resources	(24,531)
Amount deferred in year	-
	<u>-</u>
Balance as at 31 March 2025	<u>-</u>

SHAP LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	31.3.25 £	31.3.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,762	5,209
Investment income		
Bank deposit interest	8,440	5,801
Charitable activities		
Rental income	1,598,997	1,482,060
Grants & contracts	2,249,182	2,357,051
Other fees earned	12,896	33,716
Nursery income	552,311	528,343
	<hr/> 4,413,386	<hr/> 4,401,170
Total incoming resources	4,423,588	4,412,180
EXPENDITURE		
Charitable activities		
Wages	2,473,631	2,497,453
Rent	546,340	567,821
Rates and water	43,261	33,336
Light and heat	88,668	121,918
Telephone	6,982	5,799
Postage and stationery	8,428	8,946
Sundries	4,980	28,541
Internal decoration	103	22
Furniture written off in 1 yr	68,101	71,786
Property maintenance	124,875	95,852
Cleaning, laundry & refuse	54,375	50,406
Travel expenses	9,027	13,335
Food & catering	39,246	44,530
Resident activities	40,339	30,993
Consultancy	90,465	16,077
Computer costs	35,823	43,755
White goods	-	238
Security	160,632	155,383
Tools & equip	15,317	14,105
Bad debts	42,329	43,491
	<hr/> 3,852,922	<hr/> 3,843,787
Support costs		
Management		
Wages	207,666	253,152
Rent	45,650	36,237
Insurance	40,184	38,362
Telephone	48,817	35,026
Postage and stationery	14,929	8,193
Advertising	-	173
Sundries	5,651	15,800
Cleaning, laundry & refuse	1,936	3,024
Transport & motor expenses	16,675	21,589
Computer costs	34,140	30,572
Publications & affiliations	1,028	5,821
Training	898	5,880
Carried forward	417,574	453,829

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SHAP LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	31.3.25 £	31.3.24 £
Management		
Brought forward	417,574	453,829
Security	813	1,191
Freehold property	15,968	10,883
Long leasehold	2,741	2,741
Plant and machinery	2,986	2,301
	<hr/> 440,082	<hr/> 470,945
Finance		
Bank interest	41,739	43,961
Governance costs		
Auditors' remuneration	15,000	15,000
Legal & professional fees	35,037	19,763
Bank charges	3,704	8,322
	<hr/> 53,741	<hr/> 43,085
Total resources expended	<hr/> 4,388,484	<hr/> 4,401,778
Net income	<hr/> <hr/> 35,104	<hr/> <hr/> 10,402

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