

Company registration number: 04501827

Charity registration number: 1094825

Sefton Advocacy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

IMB Accountants Limited
AIMS Accountants for Business
7 Dover Road
Southport
Merseyside
PR8 4TF

Sefton Advocacy

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Sefton Advocacy

Reference and Administrative Details

Chairman	A Whitmarsh
Trustees	T Cheetham N Whitmarsh ID Parker A Whitmarsh TJ Clarke H Robens S Bell LS Johnson I Jones
Secretary	A S Ayres
Senior Management Team	A Booth, Chief Executive A S Ayres, Deputy Chief Executive
Principal Office	11 Houghton Street Southport Merseyside PR9 0NS The charity is incorporated in England and Wales.
Company Registration Number	04501827
Charity Registration Number	1094825
Bankers	HSBC Bank plc Bootle 197 Stanley Road Bootle L20 3DX
Independent Examiner	IMB Accountants Limited AIMS Accountants for Business 7 Dover Road Southport Merseyside PR8 4TF

Sefton Advocacy

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Objectives and activities

Objects and aims

The Charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. Its objectives are to relieve vulnerable people in the Sefton area who are socially excluded, empowering them to make their own choices and to give them the confidence to speak out.

In order to further these objects the following policies have been adopted:-

- a) To promote advocacy as a means of safeguarding the interests of vulnerable people and to raise awareness of the need for advocacy within the wider community and services deliverers.
- b) To deliver the service with the help of highly trained and skilled volunteers from the local community who see advocacy as a means of exercising their citizenship.
- c) To continue to closely monitor and evaluate the organisation and to develop it to meet the changing needs of vulnerable people.
- d) To raise funds and to invite and receive contributions provided that in raising funds the charity shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations.

Public benefit

The Charities objectives are to relieve vulnerable people in the Sefton area who are socially excluded, empowering them to make their own choices and to give them the confidence to speak out.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Principal funding sources

The principal funding sources are South Sefton CCG, Southport and Formby CCG and Sefton MBC.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

The annual report was approved by the trustees of the charity on 6 September 2021 and signed on its behalf by:



A Whitmarsh
Chairman and Trustee

Sefton Advocacy

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sefton Advocacy for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Approved by the trustees of the charity on 6 September 2021 and signed on its behalf by:



A Whitmarsh
Chairman and Trustee

Sefton Advocacy

Independent Examiner's Report to the trustees of Sefton Advocacy

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 5 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of Sefton Advocacy (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

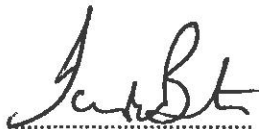
Independent examiner's statement

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

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

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

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



Ian Burton
ICAEW

AIMS Accountants for Business
7 Dover Road
Southport
Merseyside
PR8 4TF

6 September 2021

Sefton Advocacy

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and gifts	3	1,837	-	1,837
Grants received	4	308,493	68,823	377,316
Total income		310,330	68,823	379,153
Expenditure on:				
Raising funds	6	(26,293)	-	(26,293)
Charitable activities	7	(244,804)	(132,436)	(377,240)
Total expenditure		(271,097)	(132,436)	(403,533)
Net income/(expenditure)		39,233	(63,613)	(24,380)
Transfers between funds		(63,613)	63,613	-
Net movement in funds		(24,380)	-	(24,380)
Reconciliation of funds				
Total funds brought forward		26,098	-	26,098
Total funds carried forward	15	1,718	-	1,718

The notes on pages 8 to 14 form an integral part of these financial statements.

Sefton Advocacy

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and gifts	3	4,163	-	4,163
Grants received	4	306,249	45,481	351,730
Investment income	5	1	-	1
Total income		<u>310,413</u>	<u>45,481</u>	<u>355,894</u>
Expenditure on:				
Raising funds	6	(27,543)	-	(27,543)
Charitable activities	7	(234,573)	(126,464)	(361,037)
Total expenditure		<u>(262,116)</u>	<u>(126,464)</u>	<u>(388,580)</u>
Net income/(expenditure)		48,297	(80,983)	(32,686)
Transfers between funds		<u>(80,983)</u>	<u>80,983</u>	-
Net movement in funds		(32,686)	-	(32,686)
Reconciliation of funds				
Total funds brought forward		<u>58,783</u>	-	<u>58,783</u>
Total funds carried forward	15	<u>26,097</u>	-	<u>26,097</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 15.

The notes on pages 8 to 14 form an integral part of these financial statements.

Sefton Advocacy

(Registration number: 04501827)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	9,544	10,374
Current assets			
Debtors	11	3,301	5,529
Cash at bank and in hand	12	<u>2,116</u>	<u>13,985</u>
		5,417	19,514
Creditors: Amounts falling due within one year	13	<u>(13,243)</u>	<u>(3,791)</u>
Net current (liabilities)/assets		<u>(7,826)</u>	<u>15,723</u>
Net assets		<u>1,718</u>	<u>26,097</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,718</u>	<u>26,097</u>
Total funds	15	<u>1,718</u>	<u>26,097</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 5 to 14 were approved by the trustees, and authorised for issue on 6 September 2021 and signed on their behalf by:

A. Whitmarsh

A Whitmarsh
Chairman and Trustee

The notes on pages 8 to 14 form an integral part of these financial statements.

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

11 Hoghton Street
Southport
Merseyside
PR9 0NS

These financial statements were authorised for issue by the trustees on 6 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Sefton Advocacy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Fixtures and fittings

Office equipment

Depreciation method and rate

15% reducing balance basis

25% reducing balance basis

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	1,837	1,837
Total for 2021	1,837	1,837
Total for 2020	4,163	4,163

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Grants Received	308,493	68,823	377,316
Total for 2021	308,493	68,823	377,316
Total for 2020	306,249	45,481	351,730

5 Investment income

	Unrestricted funds General £	Total funds £
Total for 2021	-	-
Total for 2020	1	1

6 Expenditure on raising funds

	Note	Unrestricted funds General £	Total funds £
Allocated support costs		27,631	27,631
Total for 2021		27,631	27,631
Total for 2020		27,543	27,543

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs		85,647	97,700	183,347
Allocated support costs		49,355	34,736	84,091
Governance costs		109,802	-	109,802
Total for 2021		244,804	132,436	377,240
Total for 2020		234,573	126,464	361,037

8 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	267,621	253,373
Pension costs	25,528	24,481
	293,149	277,854

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Employees	11	11

13 (2020 - 13) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £31,289 (2020 - £30,066).

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2020	46,598	46,598
Additions	1,117	1,117
At 31 March 2021	<u>47,715</u>	<u>47,715</u>
Depreciation		
At 1 April 2020	36,224	36,224
Charge for the year	1,947	1,947
At 31 March 2021	<u>38,171</u>	<u>38,171</u>
Net book value		
At 31 March 2021	<u>9,544</u>	<u>9,544</u>
At 31 March 2020	<u>10,374</u>	<u>10,374</u>

11 Debtors

	2021 £	2020 £
Prepayments	3,301	5,528
Other debtors	<u>1</u>	<u>1</u>
	<u>3,301</u>	<u>5,529</u>

12 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	318	294
Cash at bank	1,798	13,691
	<u>2,116</u>	<u>13,985</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	9,436	-
Other creditors	2,607	2,591
Accruals	1,200	1,200
	<u>13,243</u>	<u>3,791</u>

Sefton Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £25,528 (2020 - £24,481).

15 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General	1,098	310,330	(271,097)	(38,613)	1,718
Designated	25,000	-	-	(25,000)	-
Total unrestricted funds	26,098	310,330	(271,097)	(63,613)	1,718
Restricted funds	-	68,823	(132,436)	63,613	-
Total funds	26,098	379,153	(403,533)	-	1,718
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
General	33,783	310,413	(262,116)	(80,983)	1,097
Designated	25,000	-	-	-	25,000
Total unrestricted funds	58,783	310,413	(262,116)	(80,983)	26,097
Restricted funds	-	45,481	(126,464)	80,983	-
Total funds	58,783	355,894	(388,580)	-	26,097

The specific purposes for which the funds are to be applied are as follows:

The designated fund is a contingency fund. It is the aspiration of the board that the fund is built up to a level such that it would meet three months expenses of the charity.