

**PIONEER PEOPLE WIRRAL
REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2020**

Contents

	Page
Trustees' Report	3
Statement of Directors'/Trustees' Responsibilities	5
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	10
Statement of cash flows	11
Notes to the accounts	12

Introduction

The trustees present their annual director's report and financial statements for the year ended 31 March 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Purpose and Activities of the Charity

The principle activities of the Charity set out in its Memorandum and Articles of Association are:

- Advancement of the Christian Faith.
- Advancement of Christian education.
- Relief of hardship.

Achievements and performances

The Trustees are pleased to reflect on another financially robust year, generating a small surplus of £5,650. This adds to an already healthy reserve and provides the Charity with a strong safety net of £112,235.

A key source of income is Charitable Sales, equating to over half of income. During the year we faced the major challenge of losing our warehouse lease and our sales income coming under threat. Thankfully, we were able to utilise another leased properties and in January we moved our sales into a shop in Neston and found alternative warehouse space for our overseas projects.

During the year, teams of volunteers enabled us to sort and ship two containers of bikes, tools and clothing to Kenya and Gambia. The link to the Prisons Service and Police was enhanced via purchasing a better van through a £10,000 Awards for All grant.

The very end of the financial year was extremely challenging. Firstly, we had a major water leak in the Hope Centre which resulted in the building being shut down and we envisage a minimum of 3 months of building work being required. The claim was assessed just before the year end and loss of rental income is included in the insurance claim.

Then in mid-March, we took the decision to temporarily close down all projects in response to the Covid outbreak. Our strong reserves have been built for such unforeseen circumstances and we are confident we can weather the storm caused by any income losses through lack of sales and rental income. We will apply for relevant Government support as the situation becomes clearer in the next financial year.

And finally, our long standing Trustee and Treasurer, Mr Clive Dyke, retired from the Board. Over the years he has managed the finances of the Charity and done a wonderful job. His input and faithfulness will be sorely missed.

Financial Review

Policies on reserves

Adequate reserves are maintained to fund the charity's activities for at least six months forward.

Pioneer People Wirral

The report of the Trustees for the year ended 31 March 2020

Availability and adequacy of assets of the funds

The board of Trustee is satisfied that the charity assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Transactions and Financial position

The Statement of Financial Activities show net incoming resources for the year of a revenue nature of £13,127 (prior year (£10,730.)) The total reserves at the yearend stand at £106,585 (prior year £93,458). Free unrestricted liquid reserves amounted to £105,806 (prior year £92,510).

Share Capital

The Company is limited by guarantee and therefore has no share capital.

Plans for future periods

The year ahead looks very uncertain in terms of what services we will be able to provide as a Charity, especially given the vulnerability of many of the people we work with. However, years of prudent financial management means the Charity is well equipped to cope with the challenges ahead. Merger with another Charity is still being considered but might take longer to achieve given the situation with Covid.

Reference and administrative details

Date of incorporation: 18 November 2002

Company Registration Number: 04592550

The Registered Office is: 2 Arundel Close, Pensby, Wirral CH61 8TB

Charity Registration Number: 1095310

Directors and trustees

The trustees, who are also directors, through the year and at the date of this report, were:

Stephen Humphreys

Andrea Simpson

Martin Dickson (Appointed 24 October 2020)

Dr. Peter Cooper

Joshua Simpson (Appointed 24 October 2020)

Stephen Ward (Appointed 24 October 2020)

Clive Dyke (Retired 1 December 2019)

All the directors of the company are also the Trustees of the charity, and their responsibilities include all the responsibilities of the directors under the Companies Acts and of Trustees under the Charities Act. The Board of trustees held regular meetings across the year, with 85%+ attendance for each meeting.

Nature of the Governing Documents and Constitution of the Charity

The Organisation is a charitable company limited by guarantee. The Company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Article of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

The methods adopted for the recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law and under the Company's Articles the directors are known as members of the charity.

The directors are chosen to bring a wide variety of skills to the charity management.

Independent Examiner

Malcolm Wright, Elpizo Limited, Chartered Accountants, 13 Village Road, Higher Bebington Wirral, CH63 8PP

Statement of Director's and Trustees' Responsibilities

The charity trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statements as to disclosure to our independent examiner

In so far as the trustees are aware at the time of approving our trustees' annual report: There is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the group's auditor is unaware, and the trustees, having made enough enquiries of fellow directors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director

Pioneer People Wirral

The report of the Trustees for the year ended 31 March 2020

In order to make themselves aware of any relevant independent examination information and to establish that the independent examiner is aware of that information.

By order of the board of trustees

This report was approved by the board of Trustees on 14 December 2020

Signed:

**Stephen Humphries
Director and Trustee**

Pioneer People Wirral
Independent Examiner's Report to the Trustees of the Charity

Report of the Independent Examiner to the Trustees on the accounts of the Charity for the year ended 31 March 2020

I report on the financial statement of the charitable company on page 8 to 17 for the year ended 31 March 2020.

Respective responsibilities of the Trustees and Examiner

As the charity trustees, who are also directors of the company for the purpose of the company law, you are responsible for preparation of the accounts in accordance with the requirements of the Companies Act 2006. Having satisfied myself that the charity is not subject to audit under company law and under section 144(2) of the Charities Act 2011 ("the Charities Act") and is eligible for independent examination. It is my responsibility to:

- Examine accounts under the section 145 of the Charities Act;
- Follow the procedure laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- To state whether particular matters have come to my attention

Basis of opinion and scope of work undertaken

My examination was carried out in accordance to general directions given by the charity commission. An examination includes a review of accounting records, kept by the charity and a comparison of accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the Trustees concerning any such matters. The procedure undertaken does not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a true and fair view and report is limited to the matters set out in the statement below.

Independent Examiner's Statement

In connection with examination, no matters have come to my attention;

which gives me reasonable cause to believe that in any material respect the requirements;

- To keep accounting records in accordance with section 386 of the Companies Act 2006; and
- To prepare accounts which accord with the accounting records and comply with accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statements of Recommended Practice: Accounting and reporting by Charities have not been met; or,
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Malcolm Wright, Chartered Accountant
Elpizo Limited, 13 Village Road, Higher Bebington,
Wirral CH63 8PP

The date upon which my opinion is expressed is: 14 December 2020

Pioneer People Wirral
Statement of Financial Activities
For the year ended March 2020

		Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last Year Total Funds 2019 £
	Notes				
Income					
Donations and legacies	3	7,240	-	7,240	31,796
Income from charitable activities	4	26,750	-	26,750	16,235
Fundraising income	5	42,836	-	42,836	41,511
Investment Income	6	25	-	25	25
Total Income		<u>76,851</u>	-	<u>76,851</u>	<u>89,567</u>
Expenditure					
Expenditure on charitable activities	7	<u>71,201</u>	-	<u>71,201</u>	<u>76,440</u>
Total expenditure		<u>71,201</u>	-	<u>71,201</u>	<u>76,440</u>
Net income for the year		5,650	-	5,650	13,127
Gross transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		5,650	-	5,650	13,127
Reconciliation of funds:					
Total funds brought forward		<u>106,585</u>	-	<u>106,585</u>	<u>93,458</u>
Total funds carried forward		<u>112,235</u>	-	<u>112,235</u>	<u>106,585</u>

The net movement in funds to above in the net incoming resources as defined in the statement of Recommendation Practice for Accounting and reporting issued by the Charity Commission for England and Wales and is reconciled to the total funds as shown in the Balance Sheet on page 10 as required by the said statement.

All activities derive from continuing operation

The notes on page 12 to 17 form an integral part of these accounts
Statement of Financial Activities

Pioneer People Wirral

For the year ended March 2020

Income and Expenditure Account as required by the Companies Act for the year ended 31 March 2020

	2020	2019
	£	£
Turnover	76,826	89,542
Direct costs of turnover	<u>70,324</u>	<u>75,215</u>
Gross surplus	<u>6,502</u>	<u>14,327</u>
Governance costs	<u>877</u>	<u>1,225</u>
Operating surplus	<u>5,625</u>	<u>13,102</u>
Interest receivable	<u>25</u>	<u>25</u>
Surplus on ordinary activities before tax	<u>5,650</u>	<u>13,127</u>
Retained surplus for the financial year	<u>5,650</u>	<u>13,127</u>

All activities derive from continuing operations

The notes on pages 12 to 17 form integral part of these accounts.

Pioneer People Wirral
Company Number
Balance Sheet
As at 31 March 2020

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		2020		2019	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	12		<u>1</u>		<u>1</u>
Total fixed assets			1		1
Current Assets					
Debtors	13	790		778	
Cash at the bank and in hand		<u>115,228</u>		<u>113,303</u>	
Total current assets		116,018		114,081	
Creditors:-					
Amount due within one year	14	<u>(3,784)</u>		<u>(7,497)</u>	
Net current assets			<u>112,234</u>		<u>106,584</u>
Total assetsless current liabilities			<u>112,235</u>		<u>106,585</u>
Net Assets			<u>112,235</u>		<u>106,585</u>
The funds of the charity					
Unrestricted income funds					
Unrestricted revenue accumulated funds	16		<u>112,235</u>		<u>106,585</u>
Total charity funds			<u>112,235</u>		<u>106,585</u>

The directors are satisfied that the year ended on 31 March 2020 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 7.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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.

Approved by the board of Trustees on 14 December 2020

Signed:

Name: Stephen Humphries - Director/Trustee

The notes on page 12 to 17 form an integral part of these accounts

Pioneer People Wirral
Statement of Cash Flows
For the year ended 31 March 2020

	Notes	2020 £	2019 £
Cash generated in operating activities	18	<u>1,900</u>	<u>15,993</u>
Cash flows from investing activities			
Interest Income		<u>25</u>	<u>25</u>
Cash provided by investing activities		<u>25</u>	<u>25</u>
 Increase in cash and cash equivalents in the year		 <u>1,925</u>	 <u>16,018</u>
 Cash and cash equivalents at the beginning of the year		 <u>113,303</u>	 <u>97,285</u>
 Total cash and cash equivalents at the end of the year		 <u>115,228</u>	 <u>113,303</u>

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP(FRS 102) the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets & liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes(s).

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern. The Charity is entirely dependent on continuing grant and donation support and as a consequence the going concern basis is also dependent on that continuing financial support.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of the provision of specified services is deferred until the criteria for income recognition are met.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 1.

Tangible fixed assets

Individual fixed assets costing £100 or more are capitalised as cost and are depreciated over their estimated useful economic lives on a reducing balance basis as follows:

Asset Category:	Annual rate
Vehicles	25%
Plant and equipment	25%

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the

Pioneer People Wirral
Notes to the Accounts for the year ended 31 March 2020

amount due to settle the obligation can be measured or estimating reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Legal status of the Trust

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 Income from donations and legacies

	2020	2019
	£	£
Donations and gifts		
Gifts from individuals	7,240	20,085
Donations from other organisations	-	7,654
Taxation on gifts recoverable	<u>-</u>	<u>4,057</u>
	<u>7,240</u>	<u>31,796</u>

The Trust benefits from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

4 Income from charitable activities

	2020	2019
	£	£
Grants	10,000	7,650
Other charitable activities	9,970	-
Hire of premises	<u>6,780</u>	<u>8,585</u>
	<u>26,750</u>	<u>16,235</u>

5 Income from fundraising

	2020	2019
	£	£
Charity shop	42,836	36,101
Events	<u>-</u>	<u>5,410</u>
	<u>42,836</u>	<u>41,511</u>

6 Investment income

All of the charity's investment income in 2020 of £25 arises from money held in interest bearing deposit accounts.

7 Analysis of expenditure on charitable activities

	2020	2019
	£	£
Premises running costs	3,546	3,452
Grants and donations	7,771	574
Charity shop	12,337	16,734
Premises utilities	4,659	6,726
Vehicle costs	10,092	7,500
Administration	1,513	579
Mission and outreach	-	6,649
Governance costs (see note 8)	877	1,225
Salaries and wages	<u>30,406</u>	<u>33,001</u>
Total	<u>71,201</u>	<u>76,440</u>

Expenditure on charitable activities was £71,201 (2019:£76,440) all of which was unrestricted.

8 Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance cost, the remaining support costs together with the governance costs are appropriated to charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Analysis of governance costs

	General support	Governance Function	Total	Basis of apportionment
	£	£	£	
Independent Examiner	-	877	877	Governance

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel.

	2020	2019
	£	£
Salaries and wages	<u>30,406</u>	<u>33,001</u>

No employees had employee benefits in excess of £60,000 (2019: nil).

The charity trustees were not paid or received any other benefits from employment with charity in the year (2019:£nil) neither were they reimbursed expenses during the year (2019:£nil). No charity trustees received payment for professional or other services supplied to the charity (2019:£nil).

The key management personnel of the charity comprise the trustees and the charity manager. The total employee benefits of the key management personnel of the charity were (2019: £33,001).

There were no related party transactions in the current or previous years requiring to be reported in these accounts.

10 Staff Numbers

The average monthly head count was 1 full time staff (2019: 1 full time staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2020 Number	2019 Number
Charitable activities	<u>1</u>	<u>1</u>

11 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold Land and Buildings £	Plant and Equipment £	Total £
Cost:			
As at 1 April 2019 and 31 March 2020	<u>-</u>	<u>4,300</u>	<u>4,300</u>
Depreciation:			
As at 1 April 2020 and 31 March 2020	<u>-</u>	<u>4,299</u>	<u>4,299</u>
Net book value			
As at 1 April 2019 and 31 March 2020	<u>-</u>	<u>1</u>	<u>1</u>

11 Debtors

	2020 £	2019 £
Other debtors	<u>790</u>	<u>778</u>

Pioneer People Wirral
Notes to the Accounts for the year ended 31 March 2020

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Accrued expenses	1,221	792
Payroll deductions	<u>2,563</u>	<u>6,705</u>
	<u>3,784</u>	<u>7,497</u>

13 Contingent assets – legacy income

As at 31 March 2020 the charity had not been notified of any legacy income or prospective legacy income.

14 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance				Funds
	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
General fund	<u>106,585</u>	<u>76,851</u>	<u>(71,201)</u>	<u>-</u>	<u>112,235</u>

General fund The 'free reserves' after allowing for all designated funds.

15 Analysis of net assets between funds

All of the net assets of the charity are for the general unrestricted fund

16 Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£	£
Net movement in funds	5,650	13,127
Deduct interest income shown in investing activities	(25)	(25)
Decrease (increase) in debtors	(12)	169
Increase (decrease) in creditors	<u>(3,713)</u>	<u>2,722</u>
	<u> </u>	<u> </u>
Net cash generated in operating activities	<u>1,900</u>	<u>15,993</u>