

FREE THE WAY

England & Wales · Charity number 1107435

Details

Status	Registered
Legal form	Charitable company
Company number	05024637
Registered	2005-01-04
Register	View on the Charity Commission register

Contact

Address	37 Church Street Seaham County Durham SR7 7EJ
Phone	01915813298
Email	advice@freetheway-seaham.co.uk
Website	freetheway-seaham.co.uk

Activities

Objects: 1) TO RELIEVE POVERTY, SICKNESS AND DISTRESS OF PEOPLE WITH DRUG, ALCOHOL AND GAMBLING ADDICTIONS WHO ARE RESIDENT IN SEAHAM AND SURROUNDING AREAS OF COUNTY DURHAM, THEIR FAMILIES AND CARERS (THE BENEFICIARIES), BY THE PROVISION OF COUNSELLING, SUPPORT, HEALTH INFORMATION AND ADVICE, IN PARTICULAR, BUT NOT LIMITED TO, THE ESTABLISHMENT AND OPERATION OF A DROP IN CENTRE. 2) THE PROVISION OF FACILITIES FOR RECREATION AND OTHER LEISURE ACTIVITIES FOR THE BENEFICIARIES AS DESCRIBED ABOVE IN THE INTERESTS OF SOCIAL WELFARE, WITH A VIEW TO IMPROVING THEIR CONDITIONS OF LIFE.

Activities: Help and advice for people suffering from addiction problems, referrals to specialist treatment programmes. Supported accommodation providing stability and support to help clients in their journey towards recovery and independent living. A drop in facility providing food and washing facilities, a correspondence address and clothes for homeless substance misusers in Easington and surrounding areas.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Recreation
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** SEAHAM AND SURROUNDING AREAS OF COUNTY DURHAM, THEIR FAMI
- Durham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£393,602	£347,561	-	-
2024-03-31	£361,548	£348,905	-	-
2023-03-31	£368,378	£354,271	-	-
2022-03-31	£346,701	£354,782	-	-
2021-03-31	£370,454	£333,917	-	-

Trustees

Name	Role	Appointed
Carl Darvell	Chair	2021-09-30
Andrew Elliwel		2021-09-30
Lorraine Anderson		2022-01-31
SARAH ROBB		
Tammy Welch		2021-09-30

FREE THE WAY

England & Wales - Charity number 1107435

Accounts

Free The Way

Charity No. 1107435

Company No. 05024637

Trustees' Report and Unaudited Accounts

31 March 2025

Free The Way
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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 05024637

Charity No. 1107435

Registered Office

37 Church Street

Seaham

County Durham

SR7 7EJ

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

L. Anderson

C. Darvell

A. Elliwell

P. Scholes

T. Welch

Company Secretary

S. Robb

Accountants

Brewster & Co (NE) Ltd

5a Station Terrace

East Boldon

Tyne & Wear

NE36 0LJ

OBJECTIVES AND ACTIVITIES

The purpose of the charity as set out in its governing document is to provide accommodation, support and development programmes to help recovering addicts into independent living.

ACHIEVEMENTS AND PERFORMANCE

Free The Way
Trustees Annual Report

Free the Way has gone from strength to strength, with 25 new service users being introduced to the intensive housing support and day care element

Free The way has increased the outreach support for those in move on stage. Progressing a further 4 individuals in to move on accommodation. We now 22 individuals in move on houses still accessing support. In September Free the Way acquired and staffed a new incubation house. This house is staffed 24/7 and allows for those new to our service to have intensive supervised support for the first 30 days allowing a concentrated period of observation and support to be issued.

In terms of service user success stories. Free The Way has seen 1 service user secure housing through Believe Housing (durham county council) and a further 10 access the waiting list for social tenancy.

3 service users have re-entered full time employment. With 11 more taking up external volunteering positions across the charitable sector.

One service user is now currently progressing through an 8-week rail maintenance course with a promise of employment at the end. Whilst another has completed the course and is now in full time employment within the rail network maintenance service.

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. The Trustees 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 above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Anderson
Trustee

31 March 2025

I report to the charity trustees on my examination of the financial statements of Free The Way for the year ended 31 March 2025.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements 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

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

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

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

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

C.T. Brewster ICAEW
Brewster & Co (NE) Ltd
5a Station Terrace
East Boldon
Tyne & Wear

NE36 0LJ
31 March 2025

Free The Way
Statement of Financial Activities
for the year ended 31 March 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:					
Donations and legacies	4	1,255	-	1,255	1,070
Charitable activities	5	60,099	-	60,099	35,125
Investments	6	6	-	6	6
Other	7	291,768	40,474	332,242	325,347
Total		353,128	40,474	393,602	361,548
Expenditure on:					
Other	8	326,624	20,937	347,561	348,905
Total		326,624	20,937	347,561	348,905
Net gains on investments		-	-	-	-
Net income	9	26,504	19,537	46,041	12,643
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		26,504	19,537	46,041	12,643
Other gains and losses					
Net movement in funds		26,504	19,537	46,041	12,643
Reconciliation of funds:					
Total funds brought forward		95,410	-	95,410	82,767
Total funds carried forward		121,914	19,537	141,451	95,410

Free The Way
Summary Income and Expenditure Account
for the year ended 31 March 2025

	2025 £	2024 £
Income	393,596	361,542
Interest and investment income	6	6
Gross income for the year	<u>393,602</u>	<u>361,548</u>
Expenditure	331,508	336,344
Depreciation and charges for impairment of fixed assets	16,053	12,561
Total expenditure for the year	<u>347,561</u>	<u>348,905</u>
Net income before tax for the year	46,041	12,643
Net income for the year	<u>46,041</u>	<u>12,643</u>

Free The Way
Balance Sheet
at 31 March 2025

Company No. 05024637	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	11	<u>75,723</u>	<u>57,762</u>
		75,723	57,762
Current assets			
Cash at bank and in hand		<u>51,860</u>	<u>41,697</u>
		51,860	41,697
Creditors: Amount falling due within one year	12	<u>13,868</u>	<u>(4,049)</u>
Net current assets		65,728	37,648
Total assets less current liabilities		<u>141,451</u>	<u>95,410</u>
Net assets excluding pension asset or liability		141,451	95,410
Total net assets		<u><u>141,451</u></u>	<u><u>95,410</u></u>
The funds of the charity			
Restricted funds	13		
Restricted income funds		<u>19,537</u>	<u>-</u>
		19,537	-
Unrestricted funds	13		
General funds		<u>121,914</u>	<u>95,410</u>
		121,914	95,410
Reserves	13		
Total funds		<u><u>141,451</u></u>	<u><u>95,410</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2025 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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.

Approved by the board on 31 March 2025

And signed on its behalf by:

C. Darvell
Trustee
31 March 2025

Free The Way
Statement of Cash flows
for the year ended 31 March 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	46,041	12,643
Adjustments for:		
Depreciation of property, plant and equipment	16,053	12,561
Dividends, interest and rents from investments	(332,248)	(325,353)
(Decrease)/Increase in trade and other payables	(17,917)	1,060
Net cash used in operating activities	<u>(288,071)</u>	<u>(299,089)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(34,014)	(25,506)
Dividends, interest and rents from investments	332,248	325,353
Net cash from investing activities	<u>298,234</u>	<u>299,847</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	10,163	758
Cash and cash equivalents at the beginning of the year	41,697	39,990
Cash and cash equivalents at the end of the year	<u>51,860</u>	<u>40,748</u>
Components of cash and cash equivalents		
Cash and bank balances	51,860	41,697
	<u>51,860</u>	<u>41,697</u>

for the year ended 31 March 2025

1 Accounting policies

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 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) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Free The Way

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other 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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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 amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Income and endowments from:			
Donations and legacies	1,070	-	1,070
Charitable activities	-	35,125	35,125
Investments	6	-	6
Other	325,347	-	325,347
Total	<u>326,423</u>	<u>35,125</u>	<u>361,548</u>
Expenditure on:			
Other	348,905	-	348,905
Total	<u>348,905</u>	<u>-</u>	<u>348,905</u>
Net income	(22,482)	35,125	12,643
Transfers between funds	46,785	(46,785)	-
Net income before other gains/(losses)	<u>24,303</u>	<u>(11,660)</u>	<u>12,643</u>
Other gains and losses:			
Net movement in funds	<u>24,303</u>	<u>(11,660)</u>	<u>12,643</u>
Reconciliation of funds:			
Total funds brought forward	71,107	11,660	82,767
Total funds carried forward	<u>95,410</u>	<u>-</u>	<u>95,410</u>

4 Income from donations and legacies

Unrestricted £	Total 2025 £	Total 2024 £
1,255	1,255	1,070
<u>1,255</u>	<u>1,255</u>	<u>1,070</u>

5 Income from charitable activities

Unrestricted £	Total 2025 £	Total 2024 £
1,160	1,160	-
58,939	58,939	35,125
<u>60,099</u>	<u>60,099</u>	<u>35,125</u>

6 Income from investments

Unrestricted	Total 2025	Total 2024
£	£	£
6	6	6
<u>6</u>	<u>6</u>	<u>6</u>

7 Other income

Unrestricted	Restricted	Total 2025	Total 2024
£	£	£	£
291,768	40,474	332,242	325,347
<u>291,768</u>	<u>40,474</u>	<u>332,242</u>	<u>325,347</u>

8 Other expenditure

	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
Employee costs	94,455	-	94,455	117,728
Motor and travel costs	12,301	-	12,301	10,275
Premises costs	162,359	-	162,359	165,575
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	16,053	-	16,053	12,561
General administrative costs	24,383	20,937	45,320	32,024
Legal and professional costs	17,073	-	17,073	10,742
	<u>326,624</u>	<u>20,937</u>	<u>347,561</u>	<u>348,905</u>

9 Net income before transfers

	2025	2024
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	16,053	12,561

10 Staff costs

	2025	2024
Salaries and wages	70,280	89,768
	<u>70,280</u>	<u>89,768</u>

No employee received emoluments in excess of £60,000.

11 Tangible fixed assets

	£	£
Cost or revaluation		
At 1 April 2024	126,513	126,513
Additions	34,014	34,014
At 31 March 2025	<u>160,527</u>	<u>160,527</u>
Depreciation and impairment		
At 1 April 2024	68,751	68,751
Depreciation charge for the year	16,053	16,053
At 31 March 2025	<u>84,804</u>	<u>84,804</u>
Net book values		
At 31 March 2025	<u>75,723</u>	<u>75,723</u>
At 31 March 2024	<u>57,762</u>	<u>57,762</u>

12 Creditors:

amounts falling due within one year

	2025 £	2024 £
Other taxes and social security	(17,900)	1,500
Accruals	4,032	2,549
	<u>(13,868)</u>	<u>4,049</u>

13 Movement in funds

	At 1 April 2024 £	Incoming resources (including other gains/losses) £	Resources expended £	At 31 March 2025 £
Restricted funds:				
Restricted income funds:	-	40,474	(20,937)	19,537
<i>Total</i>	<u>-</u>	<u>40,474</u>	<u>(20,937)</u>	<u>19,537</u>
Unrestricted funds:				
General funds	95,410	353,128	(326,624)	121,914
Total funds	<u>95,410</u>	<u>393,602</u>	<u>(347,561)</u>	<u>141,451</u>

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	75,723	-	75,723
Net current assets	46,191	19,537	65,728
	<u>121,914</u>	<u>19,537</u>	<u>141,451</u>

15 Reconciliation of net debt

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash and cash equivalents	41,697	10,163	51,860
	<u>41,697</u>	<u>10,163</u>	<u>51,860</u>
Net debt	<u>41,697</u>	<u>10,163</u>	<u>51,860</u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Free The Way
Detailed Statement of Financial Activities
for the year ended 31 March 2025

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:				
Donations and legacies	1,255	-	1,255	1,070
	<u>1,255</u>	<u>-</u>	<u>1,255</u>	<u>1,070</u>
Charitable activities	1,160	-	1,160	-
	58,939	-	58,939	35,125
	<u>60,099</u>	<u>-</u>	<u>60,099</u>	<u>35,125</u>
Investments	6	-	6	6
	<u>6</u>	<u>-</u>	<u>6</u>	<u>6</u>
Other	291,768	40,474	332,242	325,347
	<u>291,768</u>	<u>40,474</u>	<u>332,242</u>	<u>325,347</u>
Total income and endowments	353,128	40,474	393,602	361,548
Expenditure on:				
Employee costs				
Salaries/wages	70,280	-	70,280	89,768
Temporary staff	24,175	-	24,175	27,960
	<u>94,455</u>	<u>-</u>	<u>94,455</u>	<u>117,728</u>
Motor and travel costs				
Vehicles - General costs	12,301	-	12,301	10,275
	<u>12,301</u>	<u>-</u>	<u>12,301</u>	<u>10,275</u>
Premises costs				
Rent	119,715	-	119,715	130,711
Rates	19,881	-	19,881	19,805
Light, heat and power	10,518	-	10,518	10,870
Premises repairs and maintenance	9,827	-	9,827	1,729
Other premises costs	2,418	-	2,418	2,460
	<u>162,359</u>	<u>-</u>	<u>162,359</u>	<u>165,575</u>
General administrative costs, including depreciation and amortisation				
Depreciation of	16,053	-	16,053	12,561
Bank charges	670	-	670	298
Equipment expensed	2,034	-	2,034	840
General insurances	1,876	-	1,876	663
Postage and couriers	396	-	396	561

Free The Way

Detailed Statement of Financial Activities

Software, IT support and related costs	460	-	460	390
Stationery and printing	758	-	758	802
Sundry expenses	12,856	20,937	33,793	23,632
Telephone, fax and broadband	5,333	-	5,333	4,838
	<u>40,436</u>	<u>20,937</u>	<u>61,373</u>	<u>44,585</u>
Legal and professional costs				
Accountancy and bookkeeping	1,740	-	1,740	1,751
Consultancy fees	14,611	-	14,611	8,444
Other legal and professional costs	722	-	722	547
	<u>17,073</u>	<u>-</u>	<u>17,073</u>	<u>10,742</u>
Total of expenditure of other costs	<u>326,624</u>	<u>20,937</u>	<u>347,561</u>	<u>348,905</u>
Total expenditure	326,624	20,937	347,561	348,905
Net gains on investments	-	-	-	-
Net income	<u>26,504</u>	<u>19,537</u>	<u>46,041</u>	<u>12,643</u>
Net income before other gains/(losses)	26,504	19,537	46,041	12,643
Other Gains	-	-	-	-
Net movement in funds	<u>26,504</u>	<u>19,537</u>	<u>46,041</u>	<u>12,643</u>
Reconciliation of funds:				
Total funds brought forward	95,410	-	95,410	82,767
Total funds carried forward	<u>121,914</u>	<u>19,537</u>	<u>141,451</u>	<u>95,410</u>

FREE THE WAY

England & Wales - Charity number 1107435

Accounts

Free The Way

Charity No. 1107435

Company No. 05024637

Trustees' Report and Unaudited Accounts

31 March 2024

Free The Way
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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 05024637

Charity No. 1107435

Registered Office

37 Church Street

Seaham

County Durham

SR7 7EJ

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

L. Anderson

C. Darvell

A. Elliwell

P. Scholes

T. Welch

Company Secretary

S. Robb

Accountants

Brewster & Co (NE) Ltd

5a Station Terrace

East Boldon

Tyne & Wear

NE36 0LJ

OBJECTIVES AND ACTIVITIES

The purpose of the charity as set out in its governing document is to provide accommodation, support and development programmes to help recovering addicts into independent living.

ACHIEVEMENTS AND PERFORMANCE

Free The Way
Trustees Annual Report

Free the Way has gone from strength to strength, with 25 new service users being introduced to the intensive housing support and day care element

Free The way has increased the outreach support for those in move on stage. Progressing a further 4 individuals in to move on accommodation. We now 22 individuals in move on houses still accessing support. In September Free the Way acquired and staffed a new incubation house. This house is staffed 24/7 and allows for those new to our service to have intensive supervised support for the first 30 days allowing a concentrated period of observation and support to be issued.

In terms of service user success stories. Free The Way has seen 1 service user secure housing through Believe Housing (durham county council) and a further 10 access the waiting list for social tenancy.

3 service users have re-entered full time employment. With 11 more taking up external volunteering positions across the charitable sector.

One service user is now currently progressing through an 8-week rail maintenance course with a promise of employment at the end. Whilst another has completed the course and is now in full time employment within the rail network maintenance service.

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. The Trustees 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 above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Anderson
Trustee
31 March 2024

I report to the charity trustees on my examination of the financial statements of Free The Way for the year ended 31 March 2024.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements 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

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

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

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

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

C.T.Brewster ICAEW
Brewster & Co (NE) Ltd
5a Station Terrace
East Boldon
Tyne & Wear

NE36 0LJ
31 March 2024

Free The Way
Statement of Financial Activities
for the year ended 31 March 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and legacies	4	1,070	-	1,070	2,565
Charitable activities	5	-	35,125	35,125	68,092
Investments	6	6	-	6	2
Other	7	325,347	-	325,347	297,719
Total		326,423	35,125	361,548	368,378
Expenditure on:					
Other	8	348,905	-	348,905	354,271
Total		348,905	-	348,905	354,271
Net gains on investments		-	-	-	-
Net income	9	(22,482)	35,125	12,643	14,107
Transfers between funds		46,785	(46,785)	-	-
Net income before other gains/(losses)		24,303	(11,660)	12,643	14,107
Other gains and losses					
Net movement in funds		24,303	(11,660)	12,643	14,107
Reconciliation of funds:					
Total funds brought forward		71,107	11,660	82,767	68,660
Total funds carried forward		95,410	-	95,410	82,767

Free The Way
Summary Income and Expenditure Account
for the year ended 31 March 2024

	2024 £	2023 £
Income	361,542	368,376
Interest and investment income	6	2
Gross income for the year	<u>361,548</u>	<u>368,378</u>
Expenditure	336,344	344,171
Depreciation and charges for impairment of fixed assets	12,561	10,100
Total expenditure for the year	<u>348,905</u>	<u>354,271</u>
Net income before tax for the year	12,643	14,107
Net income for the year	<u>12,643</u>	<u>14,107</u>

Free The Way
Balance Sheet
at 31 March 2024

Company No. 05024637	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	11	57,762	44,817
		<u>57,762</u>	<u>44,817</u>
Current assets			
Cash at bank and in hand		41,697	39,990
		<u>41,697</u>	<u>39,990</u>
Creditors: Amount falling due within one year	12	(4,049)	(2,040)
Net current assets		<u>37,648</u>	<u>37,950</u>
Total assets less current liabilities		<u>95,410</u>	<u>82,767</u>
Net assets excluding pension asset or liability		<u>95,410</u>	<u>82,767</u>
Total net assets		<u><u>95,410</u></u>	<u><u>82,767</u></u>
The funds of the charity			
Restricted funds	13		
Restricted income funds		-	11,660
		<u>-</u>	<u>11,660</u>
Unrestricted funds	13		
General funds		95,410	71,107
		<u>95,410</u>	<u>71,107</u>
Reserves	13		
Total funds		<u><u>95,410</u></u>	<u><u>82,767</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2024 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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.

Approved by the board on 31 March 2024

And signed on its behalf by:

C. Darvell
Trustee
31 March 2024

Free The Way
Statement of Cash flows
for the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	12,643	14,107
Adjustments for:		
Depreciation of property, plant and equipment	12,561	10,100
Dividends, interest and rents from investments	(325,353)	(297,721)
Increase/(Decrease) in trade and other payables	1,060	(2,168)
Net cash used in operating activities	<u>(299,089)</u>	<u>(275,682)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(25,506)	(15,188)
Dividends, interest and rents from investments	325,353	297,721
Net cash from investing activities	<u>299,847</u>	<u>282,533</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	758	6,851
Cash and cash equivalents at the beginning of the year	39,990	32,939
Cash and cash equivalents at the end of the year	<u>40,748</u>	<u>39,790</u>
Components of cash and cash equivalents		
Cash and bank balances	41,697	39,990
	<u>41,697</u>	<u>39,990</u>

for the year ended 31 March 2024

1 Accounting policies

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 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) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Free The Way

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other 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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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 amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	2,565	-	2,565
Charitable activities	56,432	11,660	68,092
Investments	2	-	2
Other	297,719	-	297,719
Total	<u>356,718</u>	<u>11,660</u>	<u>368,378</u>
Expenditure on:			
Other	346,778	7,493	354,271
Total	<u>346,778</u>	<u>7,493</u>	<u>354,271</u>
Net income	<u>9,940</u>	<u>4,167</u>	<u>14,107</u>
Net income before other gains/(losses)	9,940	4,167	14,107
Other gains and losses:			
Net movement in funds	<u>9,940</u>	<u>4,167</u>	<u>14,107</u>
Reconciliation of funds:			
Total funds brought forward	61,167	7,493	68,660
Total funds carried forward	<u><u>71,107</u></u>	<u><u>11,660</u></u>	<u><u>82,767</u></u>

4 Income from donations and legacies

Unrestricted £	Total 2024 £	Total 2023 £
1,070	1,070	2,565
<u>1,070</u>	<u>1,070</u>	<u>2,565</u>

5 Income from charitable activities

Restricted £	Total 2024 £	Total 2023 £
-	-	41,446
35,125	35,125	26,646
<u>35,125</u>	<u>35,125</u>	<u>68,092</u>

6 Income from investments

Unrestricted	Total 2024	Total 2023
£	£	£
6	6	2
<u>6</u>	<u>6</u>	<u>2</u>

7 Other income

Unrestricted	Total 2024	Total 2023
£	£	£
325,347	325,347	296,119
-	-	1,600
<u>325,347</u>	<u>325,347</u>	<u>297,719</u>

8 Other expenditure

	Unrestricted	Total 2024	Total 2023
	£	£	£
Employee costs	117,728	117,728	132,473
Motor and travel costs	10,275	10,275	12,627
Premises costs	165,575	165,575	159,524
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	12,561	12,561	10,100
General administrative costs	32,024	32,024	27,007
Legal and professional costs	10,742	10,742	12,540
	<u>348,905</u>	<u>348,905</u>	<u>354,271</u>

9 Net income before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	12,561	10,100

10 Staff costs

	2024	2023
Salaries and wages	89,768	100,712
	<u>89,768</u>	<u>100,712</u>

No employee received emoluments in excess of £60,000.

11 Tangible fixed assets

	£	£
Cost or revaluation		
At 1 April 2023	101,007	101,007
Additions	25,506	25,506
At 31 March 2024	<u>126,513</u>	<u>126,513</u>
Depreciation and impairment		
At 1 April 2023	56,190	56,190
Depreciation charge for the year	12,561	12,561
At 31 March 2024	<u>68,751</u>	<u>68,751</u>
Net book values		
At 31 March 2024	<u>57,762</u>	<u>57,762</u>
At 31 March 2023	<u>44,817</u>	<u>44,817</u>

12 Creditors:

amounts falling due within one year

	2024 £	2023 £
Other taxes and social security	1,500	440
Accruals	2,549	1,600
	<u>4,049</u>	<u>2,040</u>

13 Movement in funds

	At 1 April 2023	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 March 2024 £
Restricted funds:					
Restricted income funds:	11,660	35,125	-	(46,785)	-
<i>Total</i>	<u>11,660</u>	<u>35,125</u>	<u>-</u>	<u>(46,785)</u>	<u>-</u>
Unrestricted funds:					
General funds	71,107	326,423	(348,905)	46,785	95,410
Total funds	<u>82,767</u>	<u>361,548</u>	<u>(348,905)</u>	<u>-</u>	<u>95,410</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	57,762	57,762
Net current assets	37,648	37,648
	<u>95,410</u>	<u>95,410</u>

15 Reconciliation of net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash and cash equivalents	39,990	1,707	41,697
	<u>39,990</u>	<u>1,707</u>	<u>41,697</u>
Net debt	<u>39,990</u>	<u>1,707</u>	<u>41,697</u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Free The Way
Detailed Statement of Financial Activities
for the year ended 31 March 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:				
Donations and legacies	1,070	-	1,070	2,565
	<u>1,070</u>	<u>-</u>	<u>1,070</u>	<u>2,565</u>
Charitable activities	-	-	-	41,446
	-	35,125	35,125	26,646
	<u>-</u>	<u>35,125</u>	<u>35,125</u>	<u>68,092</u>
Investments	6	-	6	2
	<u>6</u>	<u>-</u>	<u>6</u>	<u>2</u>
Other	325,347	-	325,347	296,119
	-	-	-	1,600
	<u>325,347</u>	<u>-</u>	<u>325,347</u>	<u>297,719</u>
Total income and endowments	326,423	35,125	361,548	368,378
Expenditure on:				
Employee costs				
Salaries/wages	89,768	-	89,768	100,712
Temporary staff	27,960	-	27,960	31,761
	<u>117,728</u>	<u>-</u>	<u>117,728</u>	<u>132,473</u>
Motor and travel costs				
Vehicles - General costs	10,275	-	10,275	12,627
	<u>10,275</u>	<u>-</u>	<u>10,275</u>	<u>12,627</u>
Premises costs				
Rent	130,711	-	130,711	122,200
Rates	19,805	-	19,805	13,530
Light, heat and power	10,870	-	10,870	11,383
Premises repairs and maintenance	1,729	-	1,729	10,583
Other premises costs	2,460	-	2,460	1,828
	<u>165,575</u>	<u>-</u>	<u>165,575</u>	<u>159,524</u>
General administrative costs, including depreciation and amortisation				
Depreciation of	12,561	-	12,561	10,100
Bank charges	298	-	298	249
Equipment expensed	840	-	840	1,098
General insurances	663	-	663	1,074
Postage and couriers	561	-	561	142

Free The Way

Detailed Statement of Financial Activities

Software, IT support and related costs	390	-	390	540
Stationery and printing	802	-	802	1,197
Sundry expenses	23,632	-	23,632	17,910
Telephone, fax and broadband	4,838	-	4,838	4,797
	<u>44,585</u>	<u>-</u>	<u>44,585</u>	<u>37,107</u>
Legal and professional costs				
Accountancy and bookkeeping	1,751	-	1,751	1,660
Consultancy fees	8,444	-	8,444	10,075
Other legal and professional costs	547	-	547	805
	<u>10,742</u>	<u>-</u>	<u>10,742</u>	<u>12,540</u>
Total of expenditure of other costs	<u>348,905</u>	<u>-</u>	<u>348,905</u>	<u>354,271</u>
Total expenditure	348,905	-	348,905	354,271
Net gains on investments	-	-	-	-
Net income	(22,482)	35,125	12,643	14,107
Transfers between funds	46,785	(46,785)	-	-
Net income before other gains/(losses)	<u>24,303</u>	<u>(11,660)</u>	<u>12,643</u>	<u>14,107</u>
Other Gains	-	-	-	-
Net movement in funds	<u>24,303</u>	<u>(11,660)</u>	<u>12,643</u>	<u>14,107</u>
Reconciliation of funds:				
Total funds brought forward	71,107	11,660	82,767	68,660
Total funds carried forward	<u>95,410</u>	<u>-</u>	<u>95,410</u>	<u>82,767</u>

FREE THE WAY

England & Wales - Charity number 1107435

Accounts

Free The Way

Charity No. 1107435

Company No. 05024637

Trustees' Report and Unaudited Accounts

31 March 2023

Free The Way
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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 05024637

Charity No. 1107435

Registered Office

37 Church Street

Seaham

County Durham

SR7 7EJ

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

L. Anderson

C. Darvell

A. Elliwell

P. Scholes

T. Welch

Company Secretary

S. Robb

Accountants

Brewster & Co (NE) Ltd

5a Station Terrace

East Boldon

Tyne & Wear

NE36 0LJ

OBJECTIVES AND ACTIVITIES

The purpose of the charity as set out in its governing document is to provide accommodation, support and development programmes to help recovering addicts into independent living.

ACHIEVEMENTS AND PERFORMANCE

We have gotten our clients through a number of courses, cookery, art, resilience training, numbers, driving license theory course, maths course. We have opened another two houses, we have some clients now back in full time employment, a few have now passed their driving tests and now have cars. We also do a breakfast club on a Wednesday morning, helping people that struggle have a bit to eat and offer one 2 one support. We also do sound bath mediation, to improve mental well being, mindfulness and keeps you connected. Walk and talk counselling for people who need extra support. We also take lads camping get them doing a bit team building.

PLANS FOR FUTURE PERIODS

A large charity must provide a summary of the charity's plans for the future including its aims and objectives and details of any plans to achieve them ...

A large charity's report should explain the trustees perspective of the future direction of the charity...

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. The Trustees 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 above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Anderson
Trustee
31 March 2023

Independent Examiner's Report to the trustees of Free The Way

I report to the charity trustees on my examination of the financial statements of Free The Way for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements 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

As the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

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

C. T. Brewster
ICAEW
Brewster & Co (NE) Ltd
5a Station Terrace
East Boldon
Tyne & Wear

NE36 0LJ
31 March 2023

Free The Way
Statement of Financial Activities
for the year ended 31 March 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	3	2,565	-	2,565	2,321
Charitable activities	4	56,432	11,660	68,092	67,148
Investments	5	2	-	2	-
Other	6	297,719	-	297,719	277,232
Total		356,718	11,660	368,378	346,701
Expenditure on:					
Other	7	346,778	7,493	354,271	354,783
Total		346,778	7,493	354,271	354,783
Net gains on investments		-	-	-	-
Net income/(expenditure)	8	9,940	4,167	14,107	(8,082)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		9,940	4,167	14,107	(8,082)
Other gains and losses					
Net movement in funds		9,940	4,167	14,107	(8,082)
Reconciliation of funds:					
Total funds brought forward		61,167	7,493	68,660	76,742
Total funds carried forward		71,107	11,660	82,767	68,660

Free The Way
 Summary Income and Expenditure Account
 for the year ended 31 March 2023

	2023 £	2022 £
Income	368,376	337,650
Interest and investment income	2	9,051
Gross income for the year	<u>368,378</u>	<u>346,701</u>
Expenditure	344,171	355,758
Depreciation and charges for impairment of fixed assets	10,100	-
Total expenditure for the year	<u>354,271</u>	<u>355,758</u>
Net income/(expenditure) before tax for the year	14,107	(9,057)
Net income /(expenditure)for the year	<u><u>14,107</u></u>	<u><u>(9,057)</u></u>

Free The Way
Balance Sheet
at 31 March 2023

Company No. 05024637	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	10	44,817	39,729
		<u>44,817</u>	<u>39,729</u>
Current assets			
Cash at bank and in hand		39,990	32,939
		<u>39,990</u>	<u>32,939</u>
Creditors: Amount falling due within one year	11	(2,040)	(4,008)
Net current assets		<u>37,950</u>	<u>28,931</u>
Total assets less current liabilities		<u>82,767</u>	<u>68,660</u>
Net assets excluding pension asset or liability		<u>82,767</u>	<u>68,660</u>
Total net assets		<u><u>82,767</u></u>	<u><u>68,660</u></u>
The funds of the charity			
Restricted funds	12		
Restricted income funds		11,660	7,493
		<u>11,660</u>	<u>7,493</u>
Unrestricted funds	12		
General funds		71,107	61,167
		<u>71,107</u>	<u>61,167</u>
Reserves	12		
Total funds		<u><u>82,767</u></u>	<u><u>68,660</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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.

Approved by the board on 31 March 2023

And signed on its behalf by:

C. Darvell
Trustee
31 March 2023

for the year ended 31 March 2023

1 Accounting policies

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 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) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Free The Way

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other 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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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 amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Income from donations and legacies

Unrestricted	Total 2023	Total 2022
£	£	£
2,565	2,565	2,321
<u>2,565</u>	<u>2,565</u>	<u>2,321</u>

4 Income from charitable activities

Unrestricted	Restricted	Total 2023	Total 2022
£	£	£	£
41,446	-	41,446	37,471
14,986	11,660	26,646	29,677
<u>56,432</u>	<u>11,660</u>	<u>68,092</u>	<u>67,148</u>

5 Income from investments

Unrestricted	Total 2023	Total 2022
£	£	£
2	2	-
<u>2</u>	<u>2</u>	<u>-</u>

6 Other income

Unrestricted	Total 2023	Total 2022
£	£	£
296,119	296,119	264,181
-	-	9,051
1,600	1,600	4,000
<u>297,719</u>	<u>297,719</u>	<u>277,232</u>

7 Other expenditure

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Employee costs	124,980	7,493	132,473	161,259
Motor and travel costs	12,627	-	12,627	12,751
Premises costs	159,524	-	159,524	139,009
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	10,100	-	10,100	8,582
General administrative costs	27,007	-	27,007	21,331
Legal and professional costs	12,540	-	12,540	11,851
	<u>346,778</u>	<u>7,493</u>	<u>354,271</u>	<u>354,783</u>

Free The Way
Notes to the Accounts

8 Net income/(expenditure) before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	10,100	8,582

9 Staff costs

	2023	2022
Salaries and wages	100,712	137,661
	<u>100,712</u>	<u>137,661</u>

No employee received emoluments in excess of £60,000.

10 Tangible fixed assets

	£	£
Cost or revaluation		
At 1 April 2022	85,819	85,819
Additions	15,188	15,188
At 31 March 2023	<u>101,007</u>	<u>101,007</u>
Depreciation and impairment		
At 1 April 2022	46,090	46,090
Depreciation charge for the year	10,100	10,100
At 31 March 2023	<u>56,190</u>	<u>56,190</u>
Net book values		
At 31 March 2023	<u>44,817</u>	<u>44,817</u>
At 31 March 2022	<u>39,729</u>	<u>39,729</u>

11 Creditors:

amounts falling due within one year

	2023	2022
	£	£
Other taxes and social security	440	2,608
Accruals	1,600	1,400
	<u>2,040</u>	<u>4,008</u>

12 Movement in funds

	At 1 April 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 March 2023 £
Restricted funds:				
Restricted income funds:	7,493	11,660	(7,493)	11,660
<i>Total</i>	<u>7,493</u>	<u>11,660</u>	<u>(7,493)</u>	<u>11,660</u>
Unrestricted funds:				
General funds	61,167	356,718	(346,778)	71,107
<i>Total funds</i>	<u>68,660</u>	<u>368,378</u>	<u>(354,271)</u>	<u>82,767</u>

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	44,817	-	44,817
Net current assets	26,290	11,660	37,950
	<u>71,107</u>	<u>11,660</u>	<u>82,767</u>

14 Reconciliation of net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash and cash equivalents	32,939	7,051	39,990
	<u>32,939</u>	<u>7,051</u>	<u>39,990</u>
Net debt	<u>32,939</u>	<u>7,051</u>	<u>39,990</u>

15 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Free The Way
Detailed Statement of Financial Activities
for the year ended 31 March 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies	2,565	-	2,565	2,321
	<u>2,565</u>	<u>-</u>	<u>2,565</u>	<u>2,321</u>
Charitable activities	41,446	-	41,446	37,471
	14,986	11,660	26,646	29,677
	<u>56,432</u>	<u>11,660</u>	<u>68,092</u>	<u>67,148</u>
Investments	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
Other	296,119	-	296,119	264,181
	-	-	-	9,051
	1,600	-	1,600	4,000
	<u>297,719</u>	<u>-</u>	<u>297,719</u>	<u>277,232</u>
Total income and endowments	356,718	11,660	368,378	346,701
Expenditure on:				
Employee costs				
Salaries/wages	93,219	7,493	100,712	137,661
Staff training	-	-	-	950
Temporary staff	31,761	-	31,761	22,648
	<u>124,980</u>	<u>7,493</u>	<u>132,473</u>	<u>161,259</u>
Motor and travel costs				
Vehicles - General costs	12,627	-	12,627	8,917
Travel and subsistence	-	-	-	3,834
	<u>12,627</u>	<u>-</u>	<u>12,627</u>	<u>12,751</u>
Premises costs				
Rent	122,200	-	122,200	109,239
Rates	13,530	-	13,530	11,783
Light, heat and power	11,383	-	11,383	6,084
Premises repairs and maintenance	10,583	-	10,583	9,496
Other premises costs	1,828	-	1,828	2,407
	<u>159,524</u>	<u>-</u>	<u>159,524</u>	<u>139,009</u>
General administrative costs, including depreciation and amortisation				
Depreciation of	10,100	-	10,100	8,582
Bank charges	249	-	249	252

Free The Way

Detailed Statement of Financial Activities

Equipment expensed	1,098	-	1,098	659
General insurances	1,074	-	1,074	1,030
Postage and couriers	142	-	142	2,237
Software, IT support and related costs	540	-	540	683
Stationery and printing	1,197	-	1,197	499
Sundry expenses	17,910	-	17,910	12,700
Telephone, fax and broadband	4,797	-	4,797	3,271
	<u>37,107</u>	<u>-</u>	<u>37,107</u>	<u>29,913</u>
Legal and professional costs				
Accountancy and bookkeeping	1,660	-	1,660	1,420
Consultancy fees	10,075	-	10,075	-
Management charges	-	-	-	9,364
Other legal and professional costs	805	-	805	1,067
	<u>12,540</u>	<u>-</u>	<u>12,540</u>	<u>11,851</u>
Total of expenditure of other costs	<u>346,778</u>	<u>7,493</u>	<u>354,271</u>	<u>354,783</u>
Total expenditure	346,778	7,493	354,271	354,783
Net gains on investments	-	-	-	-
	<u>9,940</u>	<u>4,167</u>	<u>14,107</u>	<u>(8,082)</u>
Net income/(expenditure)				
Net income/(expenditure) before other gains/(losses)	9,940	4,167	14,107	(8,082)
Other Gains	-	-	-	-
Net movement in funds	<u>9,940</u>	<u>4,167</u>	<u>14,107</u>	<u>(8,082)</u>
Reconciliation of funds:				
Total funds brought forward	61,167	7,493	68,660	76,742
Total funds carried forward	<u>71,107</u>	<u>11,660</u>	<u>82,767</u>	<u>68,660</u>

FREE THE WAY

England & Wales - Charity number 1107435

Accounts

FREE THE WAY
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2022

Charity Number 1107435

BREWSTER & CO.
Chartered Accountants
5a Station Terrace
East Boldon
Tyne & Wear
NE36 0LJ

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

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**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2022**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Free The Way
Charity registration number	1107435
Company registration number	5024637
	37 Church Street Seaham Co. Durham SR7 7EJ
Registered office	37 Church Street Seaham Co Durham SR7 7EJ

THE TRUSTEES

The trustees who served the charity during the period were as follows:

L Anderson
C Darvell
A Elliwel
T Welch
P Scholes

Secretary Mrs. S.J. Robb

Bankers Unity trust

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Free The Way Ltd, a registered charity, is a company limited by guarantee governed by its Memorandum and Articles of Association. Anyone over the age of 18 can become a member of the company and there are currently seven members, each of whom agree to contribute £1 in the event of the charity winding up.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2022

Appointment of Trustees

The chair of trustees (management committee). The qualification of a management committee member is that he or she is a member of the company. Members of the management committee are appointed in accordance with the Articles of Association.

The management committee may at any time co-opt any four persons to the management committee whether not they are members of the company, provided that the maximum number of sixteen is not exceeded and that no more than four such co-options shall be made between one annual general meeting and the next. All persons so co-opted shall retire at the next annual general meeting following their co-option but shall be eligible to be reappointed thereafter.

Trustee Induction and Training

New trustees undergo training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the management committee and decision making process, the business plan and recent financial performance of the charity.

The trustees have all undergone training in specialist areas in order to provide a more professional service including drug awareness, health and safety, child protection, food and hygiene, counselling skills and community enterprise management together with engaging skills and confidentiality.

Organisation

Free The Way Ltd is administered by its Board of Trustees (management committee) who meet monthly. The day to day operations are managed by the centre manager who directs the assistants and volunteers.

To facilitate effective operations, the centre manager has delegated authority, within the terms of delegation approved by the management committee, for operational matters including finance, employment and centre activities.

The management committee may delegate any of their powers to sub-committees consisting of such members of their body and/or the company as they think fit. Any sub-committees so formed shall conform to any regulations imposed on it by the management committee.

Risk Management

The trustees have a risk management strategy which comprises:

- . an annual review of the risks the charity may face;
- . the establishment of systems and procedures to mitigate those risks identified in the plan; and
- . the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

The objectives for which Free The Way was established are:

(a) For the benefits of the residents of Seaham and surrounding areas in Co Durham, the provision of support, advice and information to families and carers of people with drug, alcohol and gambling addiction without distinction of gender, sexuality, race, disability, political, religious or other opinions, by working in partnership with such people and their community, to identify their needs.

(b) Advance facilities in a common effort to provide facilities in the interest of social welfare, education and leisure time occupation, with the object of improving the quality of life for the people of Seaham and surrounding areas of Co Durham.

(c) To engage in any business, trade or industry this may seem to the company directly or indirectly conducive to the interests or convenience of the company's area of activity generally.

The main objectives for the period continue to be a local initiative providing care, counselling and support to the addictive community and their families. We aim to help people achieve and maintain total abstinence from drug / alcohol use with our supported accommodation programme.

The strategies employed to achieve the charity's objectives are:

- Supported Accommodation facility providing a safe place to live, stability and support to help clients in their journey towards recovery and independent living.
- A help and information service for substance and alcohol users and their families so they can access up to date information on the variety of services available to them.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS

- With the move to the new building, we can now admit more service users. This means we can over the next 3 years increase our income. Funding is needed to firstly accommodate the new cohort of service users. In addition, we also need to furnish new properties, both for stage one intake and move on stage accommodation.

Currently

- We have 15 service users in stage one daily engagement programme. With funding we could double this intake to 30.
- In move on after care, we have 14 residents – 3 female and 11 males.
- With funding we would look to help with domestic violence housing because of addiction (currently supporting 3 females) increasing our total move on clients from 20-25.
- We are also in discussions with Durham County Council to increase the support rate Housing benefit awarded. This needs renegotiating due to the rise in living and additional services we have implemented.

Currently HB payment (Monthly)

- £798.92 Stage one support.
- £700.96 Move on support.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2022

Our accounts are in a stable state, we saw an increase in 2021 due to Covid and extra funds being released. However, we anticipate a lower turnover in 2022 as this support made available drops off. However, our accounts are still healthy with a prudent reserve in place to ensure operating. However, we do not have the masses of reserves and need funding to help reach maximum potential.

With funding we could either

- Buy our own Minibus with larger capacity
- Use the current Minibus (capacity 16) to make 2 pick ups of service users per day
- Rent new properties to house new influx of additional service users.
- Train staff and peer mentors to accommodate extra intake of service users.

Currently we have a backlog of people wanting to be admitted into the project but cannot grow without the above in place to support greater numbers.

FINANCIAL REVIEW

The principal funding during the year were grants from a variety of sources.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

The trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation.

Reserves Policy

The general reserve, which represents an accumulation of accounting surpluses out of unrestricted income, is available to enable the charity to fulfil its objectives, to meet existing commitments and to provide funds for tangible asset replacement and project development. The agreed policy of the board of trustees is to provide a reasonable working capital base of between six and twelve months unrestricted income to enable Free The Way to fulfil its objectives and meet its contingent responsibilities.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2022

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Free the Way for the purposes of company law) are responsible for preparing the Trustees Annual Report 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 these 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 charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that 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. The trustees 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.

INDEPENDENT EXAMINER

Charles Brewster BA (Hons) FCA has been re-appointed as independent examiner for the ensuing year.

Registered office:
37 Church Street
Seaham
Co Durham
SR7 7EJ

Signed on behalf of the trustees

Director and Trustee
9th July 2022

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF FREE
THE WAY *(continued)***

YEAR ENDED 31 MARCH 2022

I report on the accounts of the charitable company for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

The Trustees, who are also directors for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 397 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Charles Brewster BA (Hons) FCA
Independent examiner

5a Station Terrace
East Boldon
Tyne & Wear
NE36 0LJ

9th July 2022

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2022

	Note	Total Funds 2022 £	Total Funds 2021 £
INCOMING RESOURCES			
Incoming resources from generating funds:			
Voluntary income	2	346,701	370,454
Investment income	3	-	-
		<u>346,701</u>	<u>370,454</u>
TOTAL INCOMING RESOURCES			
RESOURCES EXPENDED			
Charitable activities	4/5	(344,780)	(327,514)
Governance costs	6	(10,002)	(6,403)
		<u>(354,782)</u>	<u>(333,917)</u>
TOTAL RESOURCES EXPENDED			
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR/NET (EXPENDITURE)/INCOME FOR THE YEAR			
	7	(8,081)	36,537
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>76,741</u>	<u>40,204</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>68,660</u></u>	<u><u>76,741</u></u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

BALANCE SHEET *(continued)*

31 MARCH 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	9	39,729	13,227
CURRENT ASSETS			
Debtors	10	-	-
Cash at bank and in hand		32,939	66,714
		32,939	66,714
CREDITORS: Amounts falling due within one year	11	(4,008)	(3,200)
NET CURRENT (LIABILITIES)/ASSETS		28,931	63,514
TOTAL ASSETS LESS CURRENT LIABILITIES		68,660	76,741
CREDITORS: Amounts falling due after more than one year	12	-	-
NET ASSETS		68,660	76,741
FUNDS			
Restricted Funds	14	7,493	20,866
Unrestricted income funds	13	61,167	55,875
TOTAL FUNDS		68,660	76,741

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the 9th July 2022 and are signed on their behalf by:

Carl Darvell
Company Registration Number: 5024637

The notes on pages 9 to 13 form part of these financial statements.

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods and services are supplied. Other grant payments are recognised when a constructive obligation arises that result in payment being unavoidable.

- Charitable activities include both the direct and support costs relating to those activities. - Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	10% straight line
Motor Vehicles	-	25% reducing balance

Incoming resources

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions is recognised as earned (as the related goods or services provided). Grant Income included in this category provides funding to support centre activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Funds structure

The trust has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are restricted income funds.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability in the event of winding up is limited to £1.

2. VOLUNTARY INCOME

	Restricted Funds	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Fees		4,000	4,000	-
Other		264,181	264,181	243,565
JRS		9,051	9,051	29,801
Grant for Business				10,000
Donations				
General donations		2,321	2,321	1,300
Grants receivable				
Durham County Council		14,500	14,500	
Co-op		827	827	907
Lloyds				19,777
Help the Homeless		2,500	2,500	
Lottery Fund Grant	29,677		29,677	29,096
Durham Housing Group				3,528
Greggs				40
James Trust				5,000
CDCF				12,949
Balinger		5,644	5,644	
Barbour Trust		5,000	5,000	
Arnold Clark		1,000	1,000	
College		8,000	8,000	
The Neighbourly Ltd				400
B & Q				4,800
Others				9,291
	<u>29,677</u>	<u>317,024</u>	<u>346,701</u>	<u>370,454</u>

3. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Bank interest receivable	-	-	-
	<u> </u>	<u> </u>	<u> </u>

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds	Unrestricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£
Operation of drop in centre	<u>43,050</u>	<u>311,732</u>	<u>354,782</u>	<u>327,514</u>

5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Restricted Funds	Unrestricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£
Operation of drop in centre	<u>43,050</u>	<u>311,732</u>	<u>354,782</u>	<u>327,514</u>

6. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Accountancy fees	1,420	1,420	1,330
Interest payable			
Depreciation	<u>8,582</u>	<u>8,582</u>	<u>5,073</u>
	<u>10,002</u>	<u>10,002</u>	<u>6,403</u>

7. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2022	2021
	£	£
Depreciation	8,582	5,073
Operating lease costs:		
- Other	<u>—</u>	<u>—</u>

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	137,661	87,918
Social security costs	—	—
	<u>137,661</u>	<u>87,918</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2022	2021
	No	No
	5	5

No employee received remuneration of more than £60,000 during the year (2021 - Nil).

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

9. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Total £
COST			
At 1 April 2021	50,735	-	50,735
Additions	35,084	-	35,084
At 31 March 2022	<u>85,819</u>	<u>-</u>	<u>85,819</u>
DEPRECIATION			
At 1 April 2021	37,508		37,508
Charge for the year	8,582		8,582
Disposal			
At 31 March 2022	<u>46,090</u>	<u>-</u>	<u>46,090</u>
NET BOOK VALUE			
At 31 March 2022	<u>39,729</u>	<u>-</u>	<u>39,729</u>
At 31 March 2021	<u>13,227</u>	<u>-</u>	<u>13,227</u>

10. DEBTORS

	2022 £	2021 £
Other Debtors	-	-
	<u>-</u>	<u>-</u>

11. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	-
Taxation and social security	2,608	2,000
Hire purchase and finance lease agreements	-	-
Accruals	1,400	1,200
	<u>4,008</u>	<u>3,200</u>

12. CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Hire purchase and finance lease agreements	-	-
	<u>-</u>	<u>-</u>

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

13. UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2021	Incoming resources	Outgoing resources	Balance at 31 March 2022
	£	£	£	£
General Funds	55,876	317,024	(311,733)	61,167
	<u>55,876</u>	<u>317,024</u>	<u>(311,733)</u>	<u>61,167</u>

14. RESTRICTED INCOME FUNDS

	Balance at 1 April 2021	Incoming resources	Outgoing resources	Balance at 31 March 2022
	£	£	£	£
Balinger	-	-	-	-
Lottery	9,794	29,677	(31,978)	7,493
Lloyds	11,072	-	(11,072)	-
	<u>20,866</u>	<u>29,677</u>	<u>(43,050)</u>	<u>7,493</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Unrestricted Income Funds	39,729	21,438	-	61,167
Restricted	-	7,493	-	7,493
Total Funds	<u>39,729</u>	<u>28,931</u>	<u>-</u>	<u>68,660</u>

16. COMPANY LIMITED BY GUARANTEE

The charity is constituted under company law as a company limited by guarantee and does not have any share capital. The number of members is seven. Each member has guaranteed to contribute an amount not exceeding £1 in the event of the company being wound up.

FREE THE WAY

England & Wales - Charity number 1107435

Accounts

FREE THE WAY
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2021

Charity Number 1107435

BREWSTER & CO.
Chartered Accountants
5a Station Terrace
East Boldon
Tyne & Wear
NE36 0LJ

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2021**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Free The Way
Charity registration number	1107435
Company registration number	5024637
	24 Church Street Seaham Co. Durham SR7 7HQ
Registered office	24 Church Street Seaham Co Durham SR7 7HQ

THE TRUSTEES

The trustees who served the charity during the period were as follows:

S Robb
P Scholes (Chairperson)
T Stuart
S Tulip
T Welch
C Darvell

Secretary Mrs. A. Goggins

Bankers Unity trust

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Free The Way Ltd, a registered charity, is a company limited by guarantee governed by its Memorandum and Articles of Association. Anyone over the age of 18 can become a member of the company and there are currently seven members, each of whom agree to contribute £1 in the event of the charity winding up.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

Appointment of Trustees

The chair of trustees (management committee). The qualification of a management committee member is that he or she is a member of the company. Members of the management committee are appointed in accordance with the Articles of Association.

The management committee may at any time co-opt any four persons to the management committee whether not they are members of the company, provided that the maximum number of sixteen is not exceeded and that no more than four such co-options shall be made between one annual general meeting and the next. All persons so co-opted shall retire at the next annual general meeting following their co-option but shall be eligible to be reappointed thereafter.

Trustee Induction and Training

New trustees undergo training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the management committee and decision making process, the business plan and recent financial performance of the charity.

The trustees have all undergone training in specialist areas in order to provide a more professional service including drug awareness, health and safety, child protection, food and hygiene, counselling skills and community enterprise management together with engaging skills and confidentiality.

Organisation

Free The Way Ltd is administered by its Board of Trustees (management committee) who meet monthly. The day to day operations are managed by the centre manager who directs the assistants and volunteers.

To facilitate effective operations, the centre manager has delegated authority, within the terms of delegation approved by the management committee, for operational matters including finance, employment and centre activities.

The management committee may delegate any of their powers to sub-committees consisting of such members of their body and/or the company as they think fit. Any sub-committees so formed shall conform to any regulations imposed on it by the management committee.

Risk Management

The trustees have a risk management strategy which comprises:

- . an annual review of the risks the charity may face;
- . the establishment of systems and procedures to mitigate those risks identified in the plan; and
- . the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

The objectives for which Free The Way was established are:

(a) For the benefits of the residents of Seaham and surrounding areas in Co Durham, the provision of support, advice and information to families and carers of people with drug, alcohol and gambling addiction without distinction of gender, sexuality, race, disability, political, religious or other opinions, by working in partnership with such people and their community, to identify their needs.

(b) Advance facilities in a common effort to provide facilities in the interest of social welfare, education and leisure time occupation, with the object of improving the quality of life for the people of Seaham and surrounding areas of Co Durham.

(c) To engage in any business, trade or industry this may seem to the company directly or indirectly conducive to the interests or convenience of the company's area of activity generally.

The main objectives for the period continue to be a local initiative providing care, counselling and support to the addictive community and their families. We aim to help people achieve and maintain total abstinence from drug / alcohol use with our supported accommodation programme.

The strategies employed to achieve the charity's objectives are:

- Supported Accommodation facility providing a safe place to live, stability and support to help clients in their journey towards recovery and independent living.
- A help and information service for substance and alcohol users and their families so they can access up to date information on the variety of services available to them.

ACHIEVEMENTS AND PERFORMANCE

While 2020/21 has proven to be a challenging time for Free the Way, we have still managed to achieve a host of positive outcomes for our clients. We currently have three clients studying at Universities across the region, one at BSc. Level, one client studying for a Master's degree, as well as a client who is now entering his third year of his Doctorate qualification. We have also had several clients engaging with volunteering across the community and it is anticipated that full-time employment will result from their endeavours. As well as academic and employment achievements, we have also witnessed several positive move-ons with clients now becoming fully self-supporting in their own accommodation. These were all once considered as vulnerable adults where housing, employment and education had been previously evidenced as barriers to an individual's progress.

Although Covid-19 restrictions have imposed severe limitations on what could be achieved through this difficult period, we have received funding from various sources that supported us during this critical time. Following a recent relaxing of restrictions, we are now witnessing an influx of new clients and it is hoped that we will return to our operational capacity in the coming weeks. It is also hoped that we will shortly see a return to our work within the wider community when a further relaxation is announced. Overall, we feel that our project has 'weathered the storm' reasonably well and are well prepared for a transition to the anticipated 'new normal'.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The principal funding during the year were grants from a variety of sources.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

The trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation.

Reserves Policy

The general reserve, which represents an accumulation of accounting surpluses out of unrestricted income, is available to enable the charity to fulfil its objectives, to meet existing commitments and to provide funds for tangible asset replacement and project development. The agreed policy of the board of trustees is to provide a reasonable working capital base of between six and twelve months unrestricted income to enable Free The Way to fulfil its objectives and meet its contingent responsibilities.

PLANS FOR FUTURE PERIODS

We currently provide supported accommodation for fifteen clients in primary care, and 11 supported clients in secondary move on accommodation. It is expected that our primary care population will increase by almost 70% when we move to our new larger premises in July 2021. This will significantly increase our income from Housing Benefit which is our primary source of income.

Although we have experienced some difficulties during the pandemic, an increase in population will allow us to offset any decrease in income that may result from any further restriction ensuring that our project is sustainable into the future.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Free the Way for the purposes of company law) are responsible for preparing the Trustees Annual Report 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 these 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 charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that 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. The trustees 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.

INDEPENDENT EXAMINER

Charles Brewster BA (Hons) FCA has been re-appointed as independent examiner for the ensuing year.

Registered office:
24 Church Street
Seaham
Co Durham
SR7 7HQ

Signed on behalf of the trustees

S Robb
Director and Trustee
9th July 2021

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF FREE
THE WAY *(continued)***

YEAR ENDED 31 MARCH 2021

I report on the accounts of the charitable company for the year ended 31 March 2021, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

The Trustees, who are also directors for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 397 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Charles Brewster BA (Hons) FCA
Independent examiner

5a Station Terrace
East Boldon
Tyne & Wear
NE36 0LJ

9th July 2021

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2021

	Note	Total Funds 2021 £	Total Funds 2020 £
INCOMING RESOURCES			
Incoming resources from generating funds:			
Voluntary income	2	370,454	270,075
Investment income	3	-	1
		<u>370,454</u>	<u>270,076</u>
TOTAL INCOMING RESOURCES			
RESOURCES EXPENDED			
Charitable activities	4/5	(327,514)	(260,954)
Governance costs	6	(6,403)	(6,214)
		<u>(333,917)</u>	<u>(267,168)</u>
TOTAL RESOURCES EXPENDED			
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR/NET (EXPENDITURE)/INCOME FOR THE YEAR			
	7	36,537	2,908
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>40,204</u>	<u>37,296</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>76,741</u></u>	<u><u>40,204</u></u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

BALANCE SHEET *(continued)*

31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	13,227	18,300
CURRENT ASSETS			
Debtors	10	-	-
Cash at bank and in hand		66,714	23,582
		79,941	41,882
CREDITORS: Amounts falling due within one year	11	(3,200)	(1,678)
		76,741	40,204
NET CURRENT (LIABILITIES)/ASSETS			
		76,741	40,204
CREDITORS: Amounts falling due after more than one year			
	12	-	-
NET ASSETS		76,741	40,204
FUNDS			
Restricted Funds		20,866	21,615
Unrestricted income funds	13	55,875	18,589
TOTAL FUNDS		76,741	40,204

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the 9th July 2021 and are signed on their behalf by:

P Scholes

Company Registration Number: 5024637

The notes on pages 9 to 13 form part of these financial statements.

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods and services are supplied. Other grant payments are recognised when a constructive obligation arises that result in payment being unavoidable.

- Charitable activities include both the direct and support costs relating to those activities. - Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	10% straight line
Motor Vehicles	-	25% reducing balance

Incoming resources

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions is recognised as earned (as the related goods or services provided). Grant Income included in this category provides funding to support centre activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

FREE THE WAY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Funds structure

The trust has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are restricted income funds.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability in the event of winding up is limited to £1.

2. VOLUNTARY INCOME

	Restricted Funds	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
DCC & Housing Benefit		-	-	212,314
Other		243,565	243,565	
JRS		29,801	29,801	
Grant for Business		10,000	10,000	
Donations				
General donations		1,300	1,300	1,035
Grants receivable				
Misc				51
Co-op		907	907	
Williams				8,320
Lloyds	16,608	3,169	19,777	16,608
Austin & Hope				
Lottery Fund Grant	14,692	14,404	29,096	14,404
Durham Housing Group		3,528	3,528	2,400
Greggs		40	40	
James Trust		5,000	5,000	
CDCF		12,949	12,949	4,800
Balinger				5,644
Barbour Trust				2,000
Hadrian Trust				500
House of God				2,000
The Neighbourly Ltd		400	400	
B & Q		4,800	4,800	
Others		9,291	9,291	
	31,300	339,154	370,454	270,076

3. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£
Bank interest receivable	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds	Unrestricted Funds	Total Funds 2021	Total Funds 2020
		£	£	£
Operation of drop in centre	<u>32,049</u>	<u>295,465</u>	<u>327,514</u>	<u>260,954</u>

5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Restricted Funds	Unrestricted Funds	Total Funds 2021	Total Funds 2020
		£	£	£
Operation of drop in centre	<u>32,049</u>	<u>295,465</u>	<u>327,514</u>	<u>260,954</u>

6. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£
Accountancy fees	1,330	1,330	1,140
Interest payable			
Depreciation	<u>5,073</u>	<u>5,073</u>	<u>5,074</u>
	<u>6,403</u>	<u>6,403</u>	<u>6,214</u>

7. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2021	2020
	£	£
Depreciation	5,073	5,074
Operating lease costs:		
- Other	<u>—</u>	<u>—</u>

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	87,918	88,692
Social security costs	—	—
	<u>87,918</u>	<u>88,692</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2021	2020
	No	No
	5	5

No employee received remuneration of more than £60,000 during the year (2020 - Nil).

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

9. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Total £
COST			
At 1 April 2020	50,735	-	50,735
Additions	-	-	-
At 31 March 2021	<u>50,735</u>	<u>-</u>	<u>50,735</u>
DEPRECIATION			
At 1 April 2020	32,435		32,435
Charge for the year	5,073		5,073
Disposal			
At 31 March 2021	<u>37,508</u>	<u>-</u>	<u>37,508</u>
NET BOOK VALUE			
At 31 March 2021	<u>13,227</u>	<u>-</u>	<u>13,227</u>
At 31 March 2020	<u>18,300</u>	<u>-</u>	<u>18,300</u>

10. DEBTORS

	2021 £	2020 £
Other Debtors	-	-
	<u>-</u>	<u>-</u>

11. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	78
Taxation and social security	2000	600
Hire purchase and finance lease agreements	-	-
Accruals	1,200	1,000
	<u>3,200</u>	<u>1,678</u>

12. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Hire purchase and finance lease agreements	-	-
	<u>-</u>	<u>-</u>

**FREE THE WAY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

13. UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2020	Incoming resources	Outgoing resources	Balance at 31 March 2021
	£	£	£	£
General Funds	18,589	339,154	(301,867)	55,876
	<u>18,589</u>	<u>339,154</u>	<u>(301,867)</u>	<u>55,876</u>

14. RESTRICTED INCOME FUNDS

	Balance at 1 April 2020	Incoming resources	Outgoing resources	Balance at 31 March 2021
	£	£	£	£
Balinger	941	-	(941)	-
Lottery	9,602	14,692	(14,500)	9,794
Lloyds	11,072	16,608	(16,608)	11,072
	<u>21,615</u>	<u>31,300</u>	<u>(32,049)</u>	<u>20,866</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Unrestricted Income Funds	13,227	42,649	-	55,876
Restricted	-	20,866	-	20,866
Total Funds	<u>13,227</u>	<u>63,515</u>	<u>-</u>	<u>76,742</u>

16. COMPANY LIMITED BY GUARANTEE

The charity is constituted under company law as a company limited by guarantee and does not have any share capital. The number of members is seven. Each member has guaranteed to contribute an amount not exceeding £1 in the event of the company being wound up.