# T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)

England & Wales · Charity number 1114489

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 05577388 |
| **Registered** | 2006-06-01 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | T H O M A S<br>St. Annes RC Presbytery<br>France Street<br>Blackburn<br>BB2 1LX |
| **Phone** | 0125459240 |
| **Email** | james.mccartney@thomasonline.org.uk |
| **Website** | http://www.thomasonline.org.uk |

## Activities

**Objects:** A TO RELIEVE POVERTY, SICKNESS AND DISTRESS, IN PARTICULAR BUT WITHOUT LIMITATION AMONGST PERSONS SUFFERING AS A RESULT OF DRUG AND ALCOHOL ABUSE AND HOUSING NEED, THROUGH THE PROVISION OF PRACTICAL ASSISTANCE AND ADVICE OF ALL KINDS INCLUDING, WITHOUT LIMITATION, REHABILITATION AND RESETTLEMENT AND ACCOMMODATION TO THE HOMELESS AND EDUCATIONAL, LEGAL AND MEDICAL ADVICE, COUNSELLING AND ASSISTANCE.B TO EDUCATE THE PUBLIC IN THE EFFECTS OF DRUG AND ALCOHOL ABUSE AND HOUSING NEED.C TO PURSUE ANY OTHER CHARITABLE PURPOSE WHICH THE TRUSTEES OF THE CHARITY THINK FIT TO PURSUE IN CONJUNCTION WITH ANY OF THE CHARITABLE PURPOSES MENTIONED ABOVE.

**Activities:** The charity activities include drug and alcohol rehabilitation, residential support / dispersed housing support in the community and a drop-in-centre for homeless people. Equally, it provides social enterprise, supporting people back into employment. It also educates the public about addiction and social exclusion.

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## Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Other Defined Groups

## Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, NATIONAL AND OVERSEAS.
- Blackburn With Darwen
- Bolton
- Lancashire
- Salford City
- Trafford

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £1,778,912 | £1,686,818 | £1,630,948 | 33 |
| 2024-03-31 | £1,702,936 | £1,632,360 | £1,538,854 | 35 |
| 2023-03-31 | £1,510,668 | £1,398,061 | £1,468,278 | 32 |
| 2022-03-31 | £1,411,709 | £1,447,994 | £1,355,671 | 38 |
| 2021-03-31 | £1,679,662 | £1,353,932 | £1,391,957 | 34 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| CHRISTOPHER PORTER | | |
| Debra Jameson | | 2017-02-07 |
| Dr JACOB SKARIA | | 2012-11-18 |
| JOHN MALOWANA-MURPHY | | |
| LEO FLOOD | | 2012-11-18 |
| Margaret Fullalove | | 2017-02-07 |
| Neil Malley | | 2020-11-12 |
| THOMAS KENNEDY | | 2013-10-23 |

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**T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)**

England & Wales - Charity number 1114489

# Accounts

Registered number: 5577388
Charity number: 1114489

# T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

(A company limited by guarantee)

AUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

**Trustees**

J M Malowana-Murphy
C J Porter
J Skaria
M Fullalove
D Jameson
N Malley

**Company registered number**

5577388

**Charity registered number**

1114489

**Registered office**

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**Company secretary**

Reverend J P McCartney

**Chief executive officer**

Reverend J P McCartney

**Independent auditors**

Smith & Goulding Limited
Chartered Accountants and Statutory Auditors
2 Southport Road
Chorley
Lancashire
PR7 1LB

**Bankers**

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

**Advisers (continued)**

**Solicitors**

Farleys Solicitors
Hurstwood Court
Dutton's Way
Shadsworth Business Park
Blackburn
BB1 2QR

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report together with the audited financial statements of the charity T.H.O.M.A.S. (Those on the Margins of a Society) (the charity) for the year ended 31st March 2025. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## OBJECTIVES AND ACTIVITIES

### a. POLICIES AND OBJECTIVES

T.H.O.M.A.S. is a charitable organisation dedicated to supporting individuals affected by drug and alcohol misuse. It offers rehabilitation, resettlement, and housing support services while also educating the public about the impacts of substance misuse, homelessness, mental health and social exclusion. Additionally, it operates a Drop-in Centre to assist those in need. Its mission is upheld through a robust framework of policies and procedures.

### b. STRATEGIES FOR ACHIEVING OBJECTIVES

As part of its recovery services, THOMAS offers psychosocial programmes designed to assist individuals in addressing their drug and alcohol addictions. The organisation employs an integrated approach to psychosocial interventions in Blackburn, Salford, and Bolton. This approach includes:

- Supporting the establishment of conveniently located recovery housing with an impressive community spirit.
- Providing residential rehabilitation, including a unit specifically for female rehabilitation.
- Implementing a dynamic group programme at each location that advocates the 12-step philosophy
- Delivering various holistic, recovery-focused services, including support for detox and the transition from residential rehabilitation to community-based support.
- Offering drop-in facilities, assertive outreach recovery programmes incorporating cognitive, social, and interpersonal methods, and assistance with broader issues related to addiction.
- Supplying a daily hot meal for individuals in need in Blackburn.
- Collaborating as a subcontractor in the delivery of recovery programmes with GMMH (Greater Manchester Mental Health Trust Foundation)
- Providing accommodation and support for transitioning to independent living.
- Offering volunteer placements to help individuals gain skills and build confidence.
- Supporting people into employment.

The charity has commendable cognitive and reflective spiritual programmes, fostering a robust and optimistic culture of sustainable recovery. Moreover, its peer-led initiatives play a pivotal role in ensuring meaningful involvement. The charity's specialised ethos encourages observational learning, emphasising that individuals can transform negative behaviours by living in a community and learning from one another. Asset-based community resources play a crucial role in its comprehensive strategy, facilitating enduring growth and the establishment of individual assets based on the strengths and potentials of its recovery communities.

Similarly, the charity operates as a primary contractor in the broader framework of local authority commissioning for integrated services in Blackburn and Darwen. Additionally, it engages in spot purchase arrangements for drug and alcohol rehabilitation beds commissioned across England.

Furthermore, the charity links in with mental health services, homeless services, vulnerable adults, and children

services to support the needs of the charity's service users,

Complex, vulnerable adults can be signposted or supported in partnership with other specialist services in an integrated care and social support strategy.

**c. VOLUNTEERS**

*The charity is grateful for the unstinting efforts of its volunteers involved in service provision and working in the charity shop. The number of volunteer hours provided during the year is estimated to have been over 6,240. If this is conservatively valued at £11.44 an hour, the volunteer effort amounts to over £71,385.*

*Equally, the charity is thankful to Salford Diocese for the free use of St Anne's House, Blackburn, St Boniface's Presbytery, Salford, and St Ethelbert' Bolton.*

## PUBLIC BENEFIT

Our main activities and who we try to help are described below. The trustees have given due regard to the guidance published by the Charity Commission and are confident that the activities of the charity comply with Section 17(5) of the Charities Act 2011. All our charitable activities focus on the prevention and treatment of drug and alcohol abuse and are undertaken to further our charitable purposes for the public benefit.

## ACHIEVEMENTS AND PERFORMANCE

### a. REVIEW OF ACTIVITIES

THOMAS has continued to strengthen its work in addressing substance addiction, poverty, and mental health. The Charity has focused on providing comprehensive support services, helping individuals overcome addiction, supporting people in poverty, and managing mental health challenges. THOMAS has aimed to empower vulnerable groups through targeted interventions in residential and community-based programmes, fostering recovery, resilience, and long-term well-being. In this financial THOMAS worked with around 900 people; 288 referrals were made to its residential rehabilitation projects, with 222 assessments and 111 admissions; 300 people accessed its Drop-in Centre for a hot meal, where 11,375 meals were served. 224 individuals engaged with its reach-out project into hostels and the wider community.

Projects are outlined below.

Witton Bank Residential Rehabilitation Unit Blackburn
- 166 Referrals
- 139 Assessments
- 70 Admissions
- 43 Planned Discharges
- 34 Unplanned Discharges

Galligreaves Stage 2 Residential Project Blackburn
- 14 Admissions
- 1 Planned Discharges
- 6 Unplanned Discharges

Oozehead Recovery House Blackburn
- 3 Admissions
- 1 Unplanned Discharges

Salford Residential Project (Stage 1)
- 122 Referrals
- 83 Assessments
- 41 Admissions
- 27 Planned Discharges

- 15 Unplanned Discharges

Salford Residential Project (Stage 2)
- 10 Admissions
- 8 Planned Discharges
- 4 Unplanned Discharges

Drop-in-Centre Project Blackburn
- 300 people accessed the centre
- 123 new registrations

Prompting Recovery Engagement Project
- 224 individuals engaged with the Promoting Recovery Engagement Project, working in hostels and the local community.

**Mutual Aid & Support**
Mutual aid and peer support is a significant component of THOMAS' mission. Its residential projects foster an environment where individuals can experience transformative change through shared commitment and connection. Service users become recovery ambassadors, not only offering guidance and encouragement to one another on their rehabilitation journeys but also extending this support to others in the local community struggling with addiction. Through mutual aid, individuals in recovery benefited from reciprocal support that created a sense of belonging and purpose, which is often crucial in overcoming addiction. This environment allowed service users to gain strength and resilience by seeing their struggles mirrored in others and by recognising the progress they had each made.

**Witton Bank Blackburn**
Witton Bank serves as a rehabilitation unit specialising in drug and alcohol recovery for men with a history of substance dependency. The facility provides 24-hour support and housing for a maximum of 21 individuals. The rehabilitation programme spans 12 weeks to 26 weeks, during which participants focus on addressing challenges associated with drug and alcohol misuse, where they develop strategies to overcome addictive behaviour. During the year, there were 70 admissions to the project. Most residents came from Blackburn with Darwen, with whom the project holds a block contract. Additionally, other residents were from various locations throughout England via spot purchase provision from other local authorities.

**Supported Housing Blackburn**
14 individuals moved into a supported housing scheme and were supported in volunteering, education, and some secured employment. Each resident was provided with a self-contained flat and followed a case management process, which included a structured support plan with specific goals and regular target reviews. The project maintained a drug and alcohol-free environment.

**Oozehead House Blackburn**
The Oozehead House offered a supportive community for up to three residents throughout the year.

**Salford Stage 1 Houses**
A structured psychosocial programme working with drug and alcohol recovery providing residential accommodation in Salford continued with daily group sessions and individual mentoring. During the reporting period, 41 individuals joined the project. In addition to existing clients from the previous year, 26 men were admitted to St Boniface House, and 15 women found accommodation in the Female House. Diverse recovery groups were conducted, covering topics such as conflict resolution, providing strategies for addressing addiction triggers, recovery mapping exercises, techniques for maintaining abstinence, and various other psychosocial interventions within the broader framework of the 12 Step philosophy.

**Salford Stage 2 Houses**
In addition to clients from the previous year, 14 people moved into stage 2 housing, living in the community and

engaging in volunteering, training, and education. Mutual aid and support reinforced the ongoing process of cognitive change. The stage 2 project continued the work of stage 1 and encouraged residents to examine behaviour, cultivating pro-social engagement and ongoing learning.

**Manchester Road House – Salford**
The Manchester Road House was available for service users in stage 2.

**Bolton House**
St. Ethelbert's Recovery House joined with Witton Bank in Blackburn, with all admissions processed through Witton Bank. Residents participated in the Witton Bank recovery programme before returning to Bolton each day.

**PRE (Promoting Recovery Engagement)**
The PRE Project engaged with 244 individuals, promoting abstinent-based recovery support facilitated through motivational group sessions and assistance from recovery peers. It explored pathways for individuals to transition from hostels to residential rehabilitation and supporting people to engage with drug treatment services. This project was funded by the SSMTRG (Supplementary Substance Misuse Recovery Grant).

**Drop-in-Centre Blackburn**
The Drrop-in Centre supported 300 individuals who accessed its service during the year, including 123 new registrations. The project provided a vital resource for individuals experiencing various forms of hardship, including poverty, social isolation, substance misuse, mental health challenges, homelessness, and other social barriers.
A core support component of the centre involved providing hot, nutritious meals daily. Over the year, 11,375 meals were prepared, ensuring that each visitor could rely on a consistent source of nourishment.

**Bridge to Home Project**
THOMAS continued its work within a consortium led by Spring North Blackburn contributing to the Bridge to Home initiative. The programme is designed to support individuals transitioning from mental health hospital wards back into their local communities, ensuring they receive the necessary assistance and resources for a successful recovery journey. The programme has successfully assisted 200 patients across Lancashire, working within Blackburn, Blackpool, and Preston hospitals to connect patients with their support needed. Due to the end of funding, this project will close in the new financial year

**Dynamic Intelligence Learning Framework (BRIEF Coaching)**
As part of the Dynamic Intelligence Learning Framework, the BRIEF Coaching Programme continued to provide a unique opportunity for former service users with histories of addiction to progress into trainee coaching roles. The initiative aimed to build resilience and enhance professional development. Throughout the programme, trainees engaged with academic content and real-world coaching scenarios, which helped them develop coaching skills. At its heart, BRIEF Coaching aimed to be more than a professional training scheme – it embodied hope and personal transformation. By leveraging the strengths and insights gained from their recovery journeys, trainees were equipped to make a tangible impact in the lives of those they coached. This project is funded by the Gubay.

**The TIME PROJECT (Time in Meaningful Engagement)**
Through the TIME project, individuals were able to access a range of resources designed to support and strengthen their mental wellbeing. The programme, funded by Lancashire & South Cumbria NHS Foundation Trust, offered group activities and workshops that promoted social connection, shared experiences, and peer learning. These sessions created a safe and supportive environment where participants could discuss their challenges, build meaningful relationships, and develop practical coping strategies. Over the year, the project engaged with 90 individuals.

Alongside group work, TIME provided personalised one-to-one support, tailored to each participant's specific circumstances. This individualised approach ensured that everyone received the guidance and attention needed

to navigate their mental health journey effectively.

The project also incorporated outdoor activities—such as gardening, nature walks, and other nature-based sessions—throughout the week. These opportunities encouraged participants to reconnect with the natural world, a proven contributor to reduced stress and improved mental wellbeing.

Regrettably, the TIME project concluded at the end of the financial year due to the cessation of its funding.

**Health Inequalities Project**
THOMAS took part in a health inequalities project funded by the Winter Fuel Fund and commissioned by Lancashire & South Cumbria NHS. It focused on key health inequalities in central Blackburn, including mental health, hypertension, respiratory conditions, and health wellbeing. Our team actively engaged the local community in health questionnaires to gain a deeper understanding of local needs.

**Case Studies**

**Case Study One**
Over a period of several months, the client — a 28-year-old male — engaged with support through PRE groups delivered within hostel settings. He had a long-standing history of substance use, including alcohol, crack cocaine, heroin, and prescription medications such as pregabalin and diazepam. He also displayed antisocial behaviours and had spent much of his life in prison or temporary accommodation.

At the point of initial engagement, he presented as highly aggressive and was frequently under the influence of substances. He had been evicted from several hostels in Blackburn due to assaults, criminal damage, threats to kill, verbal abuse, and unpaid debts. As a result, he was extremely difficult to involve in recovery work, and attendance at services such as Spark was absent.

Engagement began through discussions around shared interests, particularly football. This helped establish rapport, build trust, and support him to start recognising his own strengths. Through one-to-one sessions, he gradually became more communicative and began articulating his thoughts, challenges, and ambitions. A professional working relationship developed, and small, achievable goals were set to encourage steady progress. Although substance use remained high, he achieved early milestones that signalled emerging motivation.

Over time, his interest in recovery increased. He began attending PRE groups consistently and showed notable improvement, particularly his ability to attend sessions while sober. To support this progress, transport was provided, enabling regular attendance at PRE groups at St Anne's House and reinforcing his commitment to change.

As his engagement strengthened, work began to support access to detox services. His progress was positively represented at a Tier Four Panel, leading to successful approval of funding for both detoxification and residential rehabilitation.

He is now working through steps six and seven of the recovery programme. Although initially reserved, he has shown marked improvements in his confidence, self-esteem, and understanding of the recovery process. His progress has been significant, and the coming months will be vital in determining the next stage of his recovery journey.

**Case Study Two**
This female client first recognised her drinking as a problem at the age of 36, following the death of her mother. The loss of her father during the COVID-19 pandemic further intensified her alcohol use, escalating to as much as five bottles of wine per day.

She completed an alcohol detox in January 2024 but relapsed immediately upon returning home. Acknowledging

the impact her drinking was having on both herself and her three daughters, she sought further help. In September 2024, after being admitted to hospital for alcohol-related complications, she underwent another detox and was admitted to THOMAS earlier than planned.

During assessment, she reported having a supportive partner who drank socially and expressed concern for her two daughters living at home, both of whom were extremely worried about her wellbeing.

She had not worked since 2016, when she was employed in a bar. Her physical health was poor, and she had difficulty taking her prescribed medication consistently. Additional health concerns included frequent falls while intoxicated, a history of epilepsy, and past struggles with an eating disorder. She also reported a significantly reduced appetite.

Her mental health had deteriorated considerably following the loss of both parents. She described spending several years largely confined to her bedroom and rarely leaving her home. Her time at THOMAS has been highly beneficial.

She participated in group sessions focused on addiction-related behaviours, relapse prevention, emotional regulation, conflict resolution, and developing an understanding of addiction as a disease. Initially, she struggled to grasp the concept of addiction and experienced high levels of anxiety when presenting in groups, often delaying her work to avoid sharing. Additional one-to-one support was provided to help her build confidence. Regular visits from her daughters and partner helped her rebuild trust and strengthen family relationships. Her key worker supported her in developing insight into addiction and reinforcing her ongoing recovery plan.
She became involved in cooking once a week for other clients and actively took part in meal planning and shopping. She enjoyed this aspect of communal living and supported peers with less experience. However, staff noticed she struggled to eat without purging. With support from a staff member with lived experience, she contacted her GP and began recognising her behaviours more clearly.

As part of the programme, she learned to budget a weekly allowance for essentials, acknowledging her tendency toward impulsive spending and the importance of managing money responsibly rather than relying on others. Although she complied with her medication routine, she found it difficult to independently arrange appointments and request prescription refills. Support in this area is ongoing, and she has stated that she intends to allow her partner to manage her medication orders when she returns home.

Her physical health has improved through daily activity, regular gym attendance, and engagement in recreational groups. Family relationships remain complex as her daughters transition into adulthood, but she is looking forward to becoming a grandmother and has been able to support her daughter through pregnancy.
Given the challenges she is likely to face upon returning home, an extension to her placement was deemed necessary to ensure continued support and stability in her recovery.

**Case Study Three**
A male client from Bolton was referred to THOMAS through Salford Achieve. During the referral and assessment process, he disclosed a 16-year addiction to methadone, following prior use of cocaine and heroin.
Coming from a close-knit family who were fully aware of his substance misuse, he had strong support from them in his recovery journey. However, their closeness also meant he had not developed independence, as his family managed many aspects of his life, including his engagement with health services. At the time of assessment, he admitted to neglecting self-care and reported having no hobbies or aspirations.
Despite these challenges, he expressed a strong desire to change his life and was willing to do whatever it took. As part of the assessment, he revealed difficulties with reading and writing, leading to the identification of additional support needs for completing 12-Step assignments.
Although he had no formal work experience, he had been actively involved in assisting his family on their farm and within the riding school.

He received one-to-one emotional and recovery support. His literacy skills were assessed, and while he struggled with reading and writing, it was determined that his main barrier was a lack of confidence rather than

an inability to learn. Educational support was offered but declined.
As part of group work, he participated in sessions focused on addressing addictive behaviors, relapse prevention, emotional management, conflict resolution, and understanding addiction as a disease. Initially, he was hesitant to express his struggles with some of the concepts. Since he was receiving literacy support with assignments, his lack of understanding was not immediately apparent. However, once he felt comfortable being honest about his difficulties, his support was adapted. He transitioned to working one-on-one with his Key Worker, engaging in Big Book Studies rather than presenting written assignments in group settings.
Through this process, he identified harmful behaviours and developed an increased awareness of applying spiritual principles from the 12-Step programme to facilitate personal change.

Before admission, he acknowledged neglecting his diet and was supported in understanding the fundamentals of a healthy, balanced diet. His awareness of cooking skills was minimal, but with guidance from staff and peers, he participated in regular cooking sessions. These sessions helped him recognize how simple and manageable cooking can be, and he is encouraged to continue building these skills.
He also engaged with clinical services to ensure he was only taking necessary prescribed medications. This required him to acknowledge that he had previously used certain medications for their mind-altering effects and had not always been truthful about his symptoms.

Budgeting and financial management were significant challenges for him, as his finances had previously been managed by his aunt. Initially, he struggled with planning and budgeting for personal expenses. However, through structured support, he has gained a better understanding of the cost of everyday items and has developed the ability to budget accordingly.
Throughout his recovery, he has worked hard to maintain strong relationships with his family while also helping them better understand addiction and the principles of the 12-Step program.

His engagement in activities has remained consistent, and he is being encouraged to explore different recreational pursuits to identify those he enjoys.

In terms of life skills, he has significantly improved his ability to carry out household tasks such as cleaning. Initially, he claimed to have little experience with chores like vacuuming, but with encouragement, he has demonstrated competence. It became evident that motivation, rather than ability, was his primary barrier.

**Medical Students**
We continued to provide social care placements for medical students at the University of Central Lancashire. Sixteen third-year students joined the THOMAS team for one month to gain a deeper understanding of the social determinants of health and the impact of drug and alcohol rehabilitation.

**Furniture Restoration Shops in Accrington.**
Our two charity furniture shops in Accrington have remained closed due to insufficient funding to sustain the project.

**b. INVESTMENT POLICY AND PERFORMANCE**
The trustees retain funds in an interest bearing account and take advantage of the interest received albeit currently at low rates.

**FINANCIAL REVIEW**

**a. GOING CONCERN**
After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**b. RESERVES POLICY**

The unrestricted general fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The Trustees are aiming to hold free reserves of six months of the operating expenditure of the charity. The Trustees have examined the requirement to maintain free reserves and have concluded that the most appropriate level is six months of operational expenditure. This has not yet been achieved, a,although reserves are increasing to meet this requirement. At 31 March 2025, the charity had total funds of £1,630,948, of which £1,430,964 represented unrestricted funds.

**c. FINANCIAL RESULTS FOR THE YEAR**

The charitable company had total incoming resources of £1,778,912 for the year ended 31 March 2025 compared to £1,702,936 in the previous year. Resources expended to 31 March 2025 amounted to £1,686,818 (2024 - £1,632,360). This has resulted in a surplus for the year of £92,094 (2024 - Surplus of £70,576). Funds brought forward from previous years amounts to £1,538,854, which, together with current funds, total £1,630,948 to carry forward to 2025/26. These funds to carry forward include £199,984 of restricted funds.

**d. PRINCIPAL FUNDING**

Principal funding is provided by contracts with Blackburn with Darwen, spot purchase contracts via social care funding, Supporting People contract and a subcontract with Greater Manchester Mental Health NHS Foundation Trust housing benefits. The charity is also grateful for donations from sponsors.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. CONSTITUTION**

The charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 September 2005.

The charity is constituted under a Memorandum of Association dated 28 September 2005 and is a registered charity number 1114489.

The charity has a Code of Governance that identifies its values and works within the remit of its Memorandum and Articles of Association.

## b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Trustees continually look to bring onto the board new people who reflect the diversity of the charity's targeted beneficiaries, as well as an understanding of the organisation's business needs.

## c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A comprehensive induction and training policy for new trustees is now implemented. This is designed to give the strategic board a greater insight in to operational activity that can influence their strategic thinking. All new trustees undergo an induction period, providing them with an opportunity to understand different aspects of the company. Specific training is identified between the individual trustee and chair of the board.

## d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

THOMAS consists of a board of trustees who are responsible for the strategic direction and overall performance of the charity. They meet at least four times a year to review quarterly financial and operational performance and the monitoring of the strategic plan. The day to day management of the charity is handed down to a management team. The chief executive leads the senior management team and reports directly to the board. The senior management team brings expertise in business strategy, financial management, and the operational delivery of the charity's objectives. An external financial advisor also contributes to the senior management team and reports to the Board. The senior management team sets organisational targets and monitors performance. Operational managers and the Senior Finance Officer report to the Chief Executive, who chairs a monthly meeting to review outputs, targets, health and safety, safeguarding, human resources, data collection, and business development. A finance sub-committee, made up of members of the senior management team, oversees financial management. The Senior Finance Officer reports directly to both the Chief Executive and the external financial advisor, who each provide reports to the Board of Trustees.

## e. RISK MANAGEMENT

The Trustees have a risk register that is active and ongoing to monitor exposure to risk. They are satisfied that systems and procedures are in place to mitigate major risks.

**Governance**
Potential for weak strategy and monitoring: In-depth strategic and financial reporting is provided each quarter to the board so it can respond to strategic challenge. Levels of accountability are clearly defined between board, senior management, operational management and frontline. Policies are reviewed every two years and earlier if legislation necessitates. A business continuity policy/ plan is in place.

Skill Base of Board: The board has a quality assurance framework in place to recruit essential skill mix covering, finance, management, business and local knowledge.

**Financial Management**
Fraud: Systems are in place to minimise the risk of fraud. Different levels of responsibilities are in place to maximise control systems.

A risk register is constantly reviewed.

Income/Expenditure: Income and expenditure is analysed on a monthly basis. Contingency is allowed within overall budget with anticipated surpluses to compensate for under performance in other areas. The charity has invested in a central data analysis system that monitors operational performance linking into financial performance. Targets are set and outcomes monitored.

Loss of Public Sector Contracts: The charity is heavily reliant on public sector funding. However, its specialist asset base community has placed it in a good position to access sub contracts with prime providers. Local authority commissioning encourages partnership bids.

**Operational Management**
Under performance with subcontracts impacting contractual targets: The charity has performance management plans. Operational data reports are provided to managers on a weekly basis. Managers hold meetings with staff on a weekly basis and with senior management on a monthly basis.

Employment of Recovering Addicts: The charity employs a high proportion of people in recovery to fulfil its mission – hence the risk of relapse. However systems are in place to support staff through its outsourced HR Team.

Human Resources: The charity outsources its HR to a specialist team. This includes an occupational health unit, 24 hour help line for staff who may suffer from stress and a psychologist who is available for clinical supervision.

**Information Technology**
IT Data Performance Loss: All data is backed up and stored in an external data unit.

Security of Data: ThinkPads are used throughout the organisation with no data stored on individual computers. All data is managed on a network system with individual password access.

Breach of Information Governance: The charity is fully compliant with the NHS information governance toolkit. Information governance is part of staff induction. Staff engage on a refresher course each year.

**Health & Safety**
Fragmented Management of H&S: Health & safety is managed with risk assessments covering buildings, fire, generic project working, lone working and safeguarding. Each service user has an individual risk assessment.

**Environment**
Environmental factors are analysed on a regular basis with strategic planning to meet the challenge of the business environment. Business continuity procedures and plans are in place for unforeseen events.

**Regulated Activity**
The charity works with vulnerable people and is regulated under the Care Quality Commission. Its governance and management is independently inspected on a regular basis and it meets all CQC standards.

## PLANS FOR FUTURE PERIODS

### a. FUTURE DEVELOPMENTS

Looking ahead, the charity has identified several strategic priorities to strengthen service delivery, enhance organisational sustainability, and maximise our impact across the communities we serve.

A key priority is the continuation of our current subcontract with Greater Manchester Mental Health (GMMH) NHS Foundation Trust across Bolton, Salford, and Trafford. With the contract due to be retendered in the new financial year, maintaining our position within this partnership will be critical for ensuring service continuity and preserving our operational footprint in these areas. In preparation, we will focus on evidencing strong performance outcomes, demonstrating value for money, and highlighting the positive impact we deliver to local communities. Strengthening relationships with commissioners and stakeholders, enhancing service quality, and ensuring full compliance with contractual and regulatory requirements will underpin our tender readiness. Alongside this work, the PRE (Promoting Recovery Engagement) project has continued to perform strongly, delivering high engagement and positive outcomes for participants. Building on this success, we see considerable opportunities to expand PRE within the Blackburn with Darwen area. Over the coming year, we will work to raise the project's visibility, broaden referral pathways, and strengthen collaboration with local partners to ensure that individuals who would benefit most from early recovery-focused interventions can access timely support. Increasing delivery capacity and exploring new community-based opportunities will allow us to extend PRE's reach and contribute more widely to local health and wellbeing priorities.

We will also undertake a comprehensive remodelling of the Bolton service to ensure it is fully aligned with current and emerging business needs. This review will examine staffing structures, operational processes, resource allocation, and support pathways with the aim of creating a more flexible, sustainable, and outcomes-driven model.

The charity will also continue to build on its spot-purchase provision at Witton Bank, Blackburn, by responding to local authority tenders across England to secure new contracts that align with our areas of expertise. In addition, we aim to submit bids that may support the reopening of our charity shops in Accrington, subject to financial viability and local demand.

Another strategic priority will be the development of a stronger and more modern social media presence. To date, the charity has not fully utilised digital platforms to raise awareness, engage supporters, or showcase the impact of our work. Over the coming year, we will implement a cohesive social media strategy, focusing on consistent messaging, impactful storytelling, and data-driven insights to reach wider audiences. This will include clearer branding, enhanced engagement with service users and partner organisations, and the use of analytics to measure reach and effectiveness. A more structured approach to digital communication will help increase visibility, support fundraising efforts, and strengthen community engagement across the organisation.

Finally, the charity will begin the process of divesting its two existing charity shops, as they no longer align with our current business needs or strategic direction. In recent years, retail operations have faced financial and operational challenges, and their contribution to organisational objectives has reduced.

## MEMBERS' LIABILITY

The trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

## TRUSTEES' REPORT (continued)
## FOR THE YEAR ENDED 31 MARCH 2025

### TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of T.H.O.M.A.S. (Those on the Margins of a Society) for the purposes of company law) are responsible for preparing the trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

### AUDITORS

The auditors, Smith & Goulding Limited, have indicated their willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

In preparing this report the trustees have taken advantage of the small companies exemption provided by section 419(2) of the Companies Act 2006.

Approved by the trustees on 23/12/2025 and signed on behalf of the board.

Trustee C J Porter

Trustee D Jamieson

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OPINION

We have audited the financial statements of T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) (the 'charity') for the year ended 31 March 2025 set out on pages 19 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

### RESPONSIBILITIES OF TRUSTEES

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

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

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

## OTHER MATTERS

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
-making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures

which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

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

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

**USE OF OUR REPORT**

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

Andrew Simm

**Andrew Simm BSc FCA**
**for and on behalf of**
**Smith & Goulding Limited**

Chartered Accountants and Statutory Auditors

2 Southport Road
Chorley
Lancashire
PR7 1LB

23/12/2025.

## T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
**(A company limited by guarantee)**

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)
## FOR THE YEAR ENDED 31 MARCH 2025

| | Note | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | - | 30,867 | 30,867 | *31,966* |
| Charitable activities | | 67,866 | 1,674,092 | 1,741,958 | *1,666,216* |
| Investments | 5 | - | 6,087 | 6,087 | *4,754* |
| **TOTAL INCOME** | | 67,866 | 1,711,046 | 1,778,912 | *1,702,936* |
| **EXPENDITURE ON:** | | | | | |
| Charitable activities | 7 | 69,994 | 1,616,824 | 1,686,818 | *1,632,360* |
| **TOTAL EXPENDITURE** | | 69,994 | 1,616,824 | 1,686,818 | *1,632,360* |
| **NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | (2,128) | 94,222 | 92,094 | *70,576* |
| **NET MOVEMENT IN FUNDS** | | (2,128) | 94,222 | 92,094 | *70,576* |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 202,112 | 1,336,742 | 1,538,854 | *1,468,278* |
| **TOTAL FUNDS CARRIED FORWARD** | | 199,984 | 1,430,964 | 1,630,948 | *1,538,854* |

All activities relate to continuing operations.

The notes on pages 22 to 38 form part of these financial statements.

**T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)**
**(A company limited by guarantee)**
**REGISTERED NUMBER: 5577388**

## BALANCE SHEET
## AS AT 31 MARCH 2025

| | Note | £ | 2025 £ | £ | 2024 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | | **741,825** | | *782,237* |
| **CURRENT ASSETS** | | | | | |
| Debtors | 12 | **324,575** | | *373,076* | |
| Cash at bank and in hand | | **830,810** | | *877,860* | |
| | | **1,155,385** | | *1,250,936* | |
| **CREDITORS:** amounts falling due within one year | 13 | **(102,248)** | | *(257,435)* | |
| **NET CURRENT ASSETS** | | | **1,053,137** | | *993,501* |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,794,962** | | *1,775,738* |
| **CREDITORS:** amounts falling due after more than one year | 14 | | **(164,014)** | | *(236,884)* |
| **NET ASSETS** | | | **1,630,948** | | *1,538,854* |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 15 | | **199,984** | | *202,112* |
| Unrestricted funds | 15 | | **1,430,964** | | *1,336,742* |
| **TOTAL FUNDS** | | | **1,630,948** | | *1,538,854* |

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 23/12/2025 and signed on their behalf, by:

**Trustee** C J PORTER **Trustee** D JAMESON

The notes on pages 22 to 38 form part of these financial statements.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 MARCH 2025

| | Note | 2025 £ | 2024 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash (used in)/provided by operating activities | 17 | **(31,268)** | *31,290* |
| **Cash flows from investing activities:** | | | |
| Purchase of tangible fixed assets | | **(15,782)** | - |
| **Net cash used in investing activities** | | **(15,782)** | - |
| **Change in cash and cash equivalents in the year** | | **(47,050)** | *31,290* |
| Cash and cash equivalents brought forward | | **877,860** | *846,570* |
| **Cash and cash equivalents carried forward** | | **830,810** | *877,860* |

The notes on pages 22 to 38 form part of these financial statements.

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

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

## 1. ACCOUNTING POLICIES (continued)

### 1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## 1. ACCOUNTING POLICIES (continued)

### 1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | 2% straight line |
| L/Term Leasehold Property | - | 2% straight line |
| S/Term Leasehold Property | - | 20% straight line |
| Plant & machinery | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Fixtures & fittings | - | 20% straight line |
| Office equipment | - | 20% straight line |
| Medical equipment | - | 20% straight line |

The freehold property is stated at cost less accumulated depreciation. The property has been valued at £475,000 which is below the net book value in the accounts. However, as the Trustees consider that the cost of purchasing and converting a similar property would exceed the current book value of the property, it is not considered necessary to write down the value of the asset on the balance sheet.

### 1.5 INTEREST RECEIVABLE

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

## 1. ACCOUNTING POLICIES (continued)

### 1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

### 1.7 DEBTORS

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

### 1.8 CASH AT BANK AND IN HAND

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

### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 1.10 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.11 PENSIONS

Contributions to the charity's defined contribution pension scheme are charged as expenditure in the year in which they become payable.

## 1. ACCOUNTING POLICIES (continued)

### 1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### 1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:
- Depreciation

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

### 2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|
| Donations including Gift Aid | - | 14,902 | 14,902 | *23,285* |
| Sisters of St Joseph | - | 3,000 | 3,000 | *5,000* |
| Enterprise RAC UK Ltd | - | 2,500 | 2,500 | *-* |
| WRL Clients | - | 10,000 | 10,000 | *-* |
| Fort Foundation | - | - | - | *500* |
| Give As You Live Ltd | - | 465 | 465 | *2,376* |
| Sacred Heart Church | - | - | - | *305* |
| Napthens LLP | - | - | - | *500* |
| Total donations and legacies | - | 30,867 | 30,867 | *31,966* |
| *Total 2024* | - | *31,966* | *31,966* | |

## 3. CONTRACTS FOR CHARITABLE SERVICES

| | Restricted Funds 2025 £ | Unrestricted Funds 2025 £ | Total Funds 2025 £ | *Total Funds 2024 £* |
|---|---|---|---|---|
| BwD BC - Supporting People - GU | - | 25,943 | 25,943 | *27,843* |
| BwD BC Social Fund - Emergency Food Provision | - | 20,000 | 20,000 | *20,000* |
| Service User Housing Benefits - Galligreaves Unit | - | 90,705 | 90,705 | *83,547* |
| Service User General Benefits - Witton Bank | - | 53,258 | 53,258 | *81,141* |
| BWD SSMTRG | - | 72,000 | 72,000 | *71,250* |
| Service User Housing Benefits - Salford | - | 217,036 | 217,036 | *250,788* |
| BST SSMTRG | - | 38,500 | 38,500 | *38,300* |
| Servicer User Housing Benefits - BwD Gateways/Oozehead Lane | - | 14,517 | 14,517 | *19,097* |
| Additional spot purchase/ funding for bolton house/ salford | - | 42,406 | 42,406 | *75,124* |
| Local Authority Funding for Witton Bank Rehab and Spot Purchase | - | 512,917 | 512,917 | *359,865* |
| Greater Manchester Mental Health NHS - Salford | - | 429,996 | 429,996 | *430,000* |
| Bolton House - Service User Housing Benefits | - | 6,684 | 6,684 | *61,584* |
| Selnet Ltd | - | - | - | *7,556* |
| Spring North | - | 113,797 | 113,797 | *43,333* |
| Other small grants | - | - | - | *375* |
| Albert Gubay | - | 33,333 | 33,333 | *33,334* |
| The 29 May 1961 Charity | - | 3,000 | 3,000 | *3,000* |
| National Lottery Community Fund | - | - | - | *53,909* |
| VCFSE | 67,866 | - | 67,866 | *6,170* |
| Total | 67,866 | 1,674,092 | 1,741,958 | *1,666,216* |

## 4. CHARITY TRADING INCOME

| | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|
| | - | - | - | - |
| Net income from charity trading income | - | - | - | - |

In 2024/ 2025 there was no trading income as the shops weren't traading.

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

### 5. INVESTMENT INCOME

| | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|
| Investment income | - | 6,087 | 6,087 | *4,754* |
| *Total 2024* | - | *4,754* | *4,754* | |

### 6. SUPPORT COSTS

| | THOMAS | Total 2025 | *Total 2024* |
|---|---|---|---|
| | £ | £ | *£* |
| Core storage rent and utility costs | 5,582 | 5,582 | *5,911* |
| Wages and salaries | 47,882 | 47,882 | *43,152* |
| National insurance | 4,160 | 4,160 | *3,779* |
| Pension cost | 1,208 | 1,208 | *1,186* |
| | 58,832 | 58,832 | *54,028* |
| *Total 2024* | *54,028* | *54,028* | |

### 7. GOVERNANCE COSTS

| | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|
| Accountancy fees | - | 5,497 | 5,497 | *4,421* |
| Auditors' remuneration | - | 5,100 | 5,100 | *6,800* |
| Legal and professional fees | - | 13,325 | 13,325 | *12,818* |
| Loan interest | - | 13,577 | 13,577 | *17,891* |
| Bank charges and loan arrangement fees | - | 1,461 | 1,461 | *1,687* |
| | - | 38,960 | 38,960 | *43,617* |

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

### 8. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2025 £ | 2024 £ |
|---|---|---|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 56,194 | 53,038 |
| Auditors' remuneration - audit | 5,100 | 6,800 |
| Accountancy fees | 5,497 | 4,421 |

During the year, no trustees received any remuneration (2024 - £NIL).
During the year, no trustees received any benefits in kind (2024 - £NIL).
During the year, no trustees received any reimbursement of expenses (2024 - £NIL).

### 9. DIRECT COSTS (Excl Support and Governance costs)

| | 2025 £ | 2024 £ |
|---|---|---|
| Building and general office costs | 349,813 | 388,164 |
| Printing, postage and stationery | 9,140 | 7,279 |
| Travel and volunteer expenses | 7,479 | 10,429 |
| Staff training and resources | 4,329 | 4,092 |
| Sessional worker costs | 960 | 1,040 |
| Client living expenses | 148,286 | 152,149 |
| Staff recruitment | 406 | 1,880 |
| Social enterprise costs | 625 | 2,407 |
| Wages and salaries | 909,793 | 819,901 |
| Employers national insurance | 79,051 | 71,808 |
| Employers pension costs | 22,950 | 22,528 |
| Depreciation | 56,194 | 53,038 |
| Legal and professional | - | - |
| | 1,589,026 | 1,534,715 |

## 10. STAFF COSTS

Staff costs were as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 957,675 | 863,054 |
| Social security costs | 83,211 | 75,587 |
| Other pension costs | 24,158 | 23,714 |
| | 1,065,044 | 962,355 |

The average number of persons employed by the charity during the year was as follows:

| | 2025 | 2024 |
|---|---|---|
| | No. | No. |
| Project personnel | 29 | 30 |
| Charity administration (incl projects) | 4 | 5 |
| | 33 | 35 |

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by management and key personnel amounted to 2025 - £111,702 (2024 - £105,553).

## 11. TANGIBLE FIXED ASSETS

| | Land and buildings | Other fixed assets | Total |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 April 2024 | 1,247,182 | 199,447 | 1,446,629 |
| Additions | 4,904 | 10,878 | 15,782 |
| At 31 March 2025 | 1,252,086 | 210,325 | 1,462,411 |
| **DEPRECIATION** | | | |
| At 1 April 2024 | 487,891 | 176,501 | 664,392 |
| Charge for the year | 43,708 | 12,486 | 56,194 |
| At 31 March 2025 | 531,599 | 188,987 | 720,586 |
| **NET BOOK VALUE** | | | |
| At 31 March 2025 | 720,487 | 21,338 | 741,825 |
| *At 31 March 2024* | *759,291* | *22,946* | *782,237* |

## 11. TANGIBLE FIXED ASSETS (continued)

## 12. DEBTORS

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade debtors | 173,883 | 279,386 |
| Other debtors | 31,013 | 26,704 |
| Prepayments and accrued income | 119,679 | 66,986 |
| | 324,575 | 373,076 |

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

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Bank loan | 17,391 | 17,391 |
| Other loan | 12,792 | 12,792 |
| Trade creditors | 25,321 | 24,624 |
| Other taxation and social security | 19,791 | 17,346 |
| Other creditors | 7,230 | 78,158 |
| Accruals and deferred income | 19,723 | 107,124 |
| | 102,248 | 257,435 |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Bank loan | 30,183 | 46,243 |
| Other loan | 133,831 | 190,641 |
| | 164,014 | 236,884 |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Repayable by instalments | 66,603 | 139,472 |

The bank loan is from Unity Trust Bank plc and £43,871 is still owing at 31 March 2025 (total loan repayable over 25 years at a rate of interest of 2.25% over the Bank's Base Rate). The other loan is for £150,326 from Futurebuilders England and is repayable over 25 years at a rate of interest of 3% over the Bank's Base Rate.

The borrowings from Unity Trust Bank are secured by a first legal charge on Witton Bank, Spring Lane, Blackburn. Futurebuilders have the second legal charge on the property. The amount of the secured liability is £363,506.

## 15. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Balance at 31 March 2025 £ |
|---|---|---|---|---|
| **UNRESTRICTED FUNDS** | | | | |
| General Funds - all funds | **1,336,742** | **1,711,046** | **(1,616,824)** | **1,430,964** |

**RESTRICTED FUNDS**

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Balance at 31 March 2025 £ |
|---|---|---|---|---|
| Futurebuilders - capital grant | **77,605** | **-** | **(2,800)** | **74,805** |
| BwD PCT - capital grant | **1,458** | **-** | **(240)** | **1,218** |
| BwD DAAT - capital grant | **166** | **-** | **(60)** | **106** |
| Public Health England - capital grant - new building | **122,883** | **-** | **(2,945)** | **119,938** |
| VCFSE | **-** | **67,866** | **(63,949)** | **3,917** |
| | **202,112** | **67,866** | **(69,994)** | **199,984** |
| Total of funds | **1,538,854** | **1,778,912** | **(1,686,818)** | **1,630,948** |

### STATEMENT OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2023* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Balance at 31 March 2024* £ |
|---|---|---|---|---|---|
| General Funds - all funds | *1,267,907* | *1,689,210* | *(1,620,145)* | *(230)* | *1,336,742* |

## 15. STATEMENT OF FUNDS (continued)

### RESTRICTED FUNDS

| | *Balance at 1 April 2023* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Balance at 31 March 2024* £ |
|---|---|---|---|---|---|
| Futurebuilders - capital grant | *80,405* | - | *(2,800)* | - | *77,605* |
| BwD PCT - capital grant | *1,698* | - | *(240)* | - | *1,458* |
| BwD DAAT - capital grant | *226* | - | *(60)* | - | *166* |
| Selnet Ltd | *(7,786)* | *7,556* | - | *230* | - |
| Public Health England - capital grant - new building | *125,828* | - | *(2,945)* | - | *122,883* |
| VCFSE | - | *6,170* | *(6,170)* | - | - |
| | *200,371* | *13,726* | *(12,215)* | *230* | *202,112* |

**Restricted Funds;**

Restricted funds to be carried forward into the next financial year are;

Futurebuilders - This fund is to be utilised in respect of capital works carried out to the Witton Bank property.

BWD PCT - To be spent on capital works at Witton Bank and 181 - 192 Dickson Close properties.

BWD DAAT - This is to be utilised for improvements made to previous rental properties within Blackburn and Darwen.

Public Health England new building grant - This fund has been utilised in purchasing a new property in the Salford area.

### SUMMARY OF FUNDS - CURRENT YEAR

| | **Balance at 1 April 2024** £ | **Income** £ | **Expenditure** £ | **Balance at 31 March 2025** £ |
|---|---|---|---|---|
| General funds | **1,336,742** | **1,711,046** | **(1,616,824)** | **1,430,964** |
| Restricted funds | **202,112** | **67,866** | **(69,994)** | **199,984** |
| | **1,538,854** | **1,778,912** | **(1,686,818)** | **1,630,948** |

## 15. STATEMENT OF FUNDS (continued)

### SUMMARY OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2023* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Balance at 31 March 2024* £ |
|---|---|---|---|---|---|
| General funds | *1,267,907* | *1,689,210* | *(1,620,145)* | *(230)* | *1,336,742* |
| Restricted funds | *200,371* | *13,726* | *(12,215)* | *230* | *202,112* |
| | *1,468,278* | *1,702,936* | *(1,632,360)* | - | *1,538,854* |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | **Restricted funds 2025** £ | **Unrestricted funds 2025** £ | **Total funds 2025** £ |
|---|---|---|---|
| Tangible fixed assets | **196,067** | **545,758** | **741,825** |
| Current assets | **3,917** | **1,151,468** | **1,155,385** |
| Creditors due within one year | **-** | **(102,248)** | **(102,248)** |
| Creditors due in more than one year | **-** | **(164,014)** | **(164,014)** |
| | **199,984** | **1,430,964** | **1,630,948** |

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | *Restricted funds 2024* £ | *Unrestricted funds 2024* £ | *Total funds 2024* £ |
|---|---|---|---|
| Tangible fixed assets | - | *782,237* | *782,237* |
| Current assets | *202,112* | *1,048,824* | *1,250,936* |
| Creditors due within one year | - | *(257,435)* | *(257,435)* |
| Creditors due in more than one year | - | *(236,884)* | *(236,884)* |
| | *202,112* | *1,336,742* | *1,538,854* |

## 17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2025 £ | *2024 £* |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **92,094** | *70,576* |
| **Adjustment for:** | | |
| Depreciation charges | **56,194** | *53,038* |
| Decrease/(increase) in debtors | **48,501** | *(211,067)* |
| (Decrease)/increase in creditors | **(228,057)** | *118,743* |
| **Net cash (used in)/provided by operating activities** | **(31,268)** | *31,290* |

## 18. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2025 £ | *2024 £* |
|---|---|---|
| Cash in hand | **830,810** | *877,860* |
| Total | **830,810** | *877,860* |

## 19. PENSION COMMITMENTS

Payments were made to personal pension plans for the year ended 31 March 2025. Outstanding monies due at 31 March 2025 amounted to £4,757 (2024 - £4,509) and are included in creditors.

## 20. OPERATING LEASE COMMITMENTS

At 31 March 2025 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

| | Land and buildings | | Other | |
|---|---|---|---|---|
| | 2025 £ | *2024 £* | 2025 £ | *2024 £* |
| **AMOUNTS PAYABLE:** | | | | |
| Within 1 year | **20,680** | *40,999* | **-** | *-* |

## 21. RELATED PARTY TRANSACTIONS

No related party transactions occurred in the years ended 31 March 2025 and 31 March 2024.

## 22. CONTROLLING PARTY

The charity is controlled by the Trustees.

## 23. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company was incorporated in England and the registered office is as follows:-

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

## 15. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITES 31ST MARCH 2024

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| **INCOME FROM:** | | | |
| Donations and legacies | 31,966 | - | 31,966 |
| Charitable activities | 1,652,490 | 13,726 | 1,666,216 |
| Other trading activities | - | - | - |
| Investments | 4,754 | - | 4,754 |
| **TOTAL INCOME** | 1,689,210 | 13,726 | 1,702,936 |
| **EXPENDITURE ON:** | | | |
| Raising funds | - | - | - |
| Charitable activities | 1,620,145 | 12,215 | 1,632,360 |
| **TOTAL EXPENDITURE** | 1,620,145 | 12,215 | 1,632,360 |
| **NET INCOME BEFORE TRANSFERS** | 69,065 | 1,511 | 70,576 |
| Transfers between funds | (230) | 230 | |
| **NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES** | 68,835 | 1,741 | 70,576 |
| **NET MOVEMENT IN FUNDS** | 68,835 | 1,741 | 70,576 |
| **RECONCILIATION OF FUNDS :** | | | |
| Total funds brought forward | 1,267,907 | 200,371 | 1,468,278 |
| **TOTAL FUNDS CARRIED FORWARD** | 1,336,742 | 202,112 | 1,538,854 |

**T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)**

England & Wales - Charity number 1114489

# Accounts

Registered number: 5577388
Charity number: 1114489

# T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

(A company limited by guarantee)

AUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

**Trustees**

J M Malowana-Murphy
C J Porter
J Skaria
L Flood (resigned 30/11/2023)
M Fullalove
D Jameson
N Malley

**Company registered number**

5577388

**Charity registered number**

1114489

**Registered office**

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**Company secretary**

Reverend J P McCartney

**Chief executive officer**

Reverend J P McCartney

**Independent auditors**

Smith & Goulding Limited
Chartered Accountants and Statutory Auditors
2 Southport Road
Chorley
Lancashire
PR7 1LB

**Bankers**

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

**Advisers (continued)**

**Solicitors**

Farleys Solicitors
Hurstwood Court
Dutton's Way
Shadsworth Business Park
Blackburn
BB1 2QR

**Accountancy Services**

CW Accountants Ltd
3.0 Brotherston Drive
Blackburn
Lancashire
BB2 4FJ

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report together with the audited financial statements of the charity T.H.O.M.A.S. (Those on the Margins of a Society) (the charity) for the year ended 31st March 2024. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## OBJECTIVES AND ACTIVITIES

### a. POLICIES AND OBJECTIVES

T.H.O.M.A.S. is a charitable organisation dedicated to supporting individuals affected by drug and alcohol misuse. It offers rehabilitation, resettlement, and housing support services while also educating the public about the impacts of substance misuse, homelessness, mental health and social exclusion. Additionally, it operates a Drop-in Centre to assist those in need. Its mission is upheld through a robust framework of policies and procedures.

### b. STRATEGIES FOR ACHIEVING OBJECTIVES

As part of its recovery services, THOMAS offers psychosocial programmes designed to assist individuals in addressing their drug and alcohol addictions. The organisation employs an integrated approach to psychosocial interventions in Blackburn, Salford, and Bolton. This approach includes:

- Supporting the establishment of conveniently located recovery housing with an impressive community spirit.
- Providing residential rehabilitation, including a unit specifically for female rehabilitation.
- Implementing a dynamic group programme at each location that advocates the 12-step philosophy
- Delivering various holistic, recovery-focused services, including support for detox and the transition from residential rehabilitation to community-based support.
- Offering drop-in facilities, assertive outreach recovery programmes incorporating cognitive, social, and interpersonal methods, and assistance with broader issues related to addiction.
- Supplying a daily hot meal for individuals in need in Blackburn.
- Collaborating as a subcontractor in the delivery of recovery programmes with GMMH (Greater Manchester Mental Health Trust Foundation)
- Providing accommodation and support for transitioning to independent living.
- Offering volunteer placements to help individuals gain skills and build confidence.
- Supporting people into employment.

The charity has commendable cognitive and reflective spiritual programmes, fostering a robust and optimistic culture of sustainable recovery. Moreover, its peer-led initiatives play a pivotal role in ensuring meaningful involvement. The charity's specialised ethos encourages observational learning, emphasising that individuals can transform negative behaviours by living in a community and learning from one another. Asset-based community resources play a crucial role in its comprehensive strategy, facilitating enduring growth and the establishment of individual assets based on the strengths and potentials of its recovery communities.

Similarly, the charity operates as a primary contractor in the broader framework of local authority commissioning for integrated services in Blackburn and Darwen. Additionally, it engages in spot purchase arrangements for drug and alcohol rehabilitation beds commissioned across England.

Furthermore, the charity links in with mental health services, homeless services, vulnerable adults, and children

services to support the needs of the charity's service users,

Complex, vulnerable adults can be signposted or supported in partnership with other specialist services in an integrated care and social support strategy.

**c. VOLUNTEERS**

*The charity is grateful for the unstinting efforts of its volunteers involved in service provision and working in the charity shop. The number of volunteer hours provided during the year is estimated to have been over 6,240. If this is conservatively valued at £10.42 an hour, the volunteer effort amounts to over £65,020.*

*Equally, the charity is thankful to Salford Diocese for the free use of St Anne's House, Blackburn, St Boniface's Presbytery, Salford, and St Ethelbert' Bolton.*

**PUBLIC BENEFIT**

Our main activities and who we try to help are described below. The trustees have given due regard to the guidance published by the Charity Commission and are confident that the activities of the charity comply with Section 17(5) of the Charities Act 2011. All our charitable activities focus on the prevention and treatment of drug and alcohol abuse and are undertaken to further our charitable purposes for the public benefit.

**ACHIEVEMENTS AND PERFORMANCE**

**a. REVIEW OF ACTIVITIES**

THOMAS has continued to strengthen its work in addressing substance addiction, poverty, and mental health. The Charity has focused on providing comprehensive support services, helping individuals overcome addiction, supporting people in poverty, and managing mental health challenges. THOMAS has aimed to empower vulnerable groups through targeted interventions in residential and community-based programmes, fostering recovery, resilience, and long-term well-being. In this financial THOMAS worked with around 836 people; 313 referrals were made to its residential rehabilitation projects, with 266 assessments and 135 admissions; 250 people accessed its Drop-in Centre for a hot meal, where 10,664 meals were served. 185 individuals engaged with its reach-out project into hostels and the wider community.

Projects are outlined below.

Witton Bank Residential Rehabilitation Unit Blackburn
- 163 Referrals
- 137 Assessments
- 55 Admissions
- 29 Planned Discharges
- 33 Unplanned Discharges

Galligreaves Stage 2 Residential Project Blackburn
- 16 Admissions
- 3 Planned Discharges
- 3 Unplanned Discharges

Oozehead Recovery House Blackburn
- 3 Admissions
- 1 Unplanned Discharges

Salford Residential Project (Stage 1)
- 150 Referrals
- 102 Assessments
- 37 Admissions
- 18 Planned Discharges

- 20 Unplanned Discharges

Salford Residential Project (Stage 2)
- 15 Admissions
- 4 Planned Discharges
- 4 Unplanned Discharges

Bolton Residential Project
- 27 Assessments
- 9 Admissions
- 8 Planned Discharges
- 2 Unplanned Discharges

Drop-in-Centre Project Blackburn
- 250 people accessed the centre
- 120 new registrations

Criminal Justice Project
- 185 individuals engaged with the project living in hostels in Blackburn & Darwen

**Mutual Aid & Support**
Mutual aid and peer support is a significant component of THOMAS' mission. Its residential projects foster an environment where individuals can experience transformative change through shared commitment and connection. Service users become recovery ambassadors, not only offering guidance and encouragement to one another on their rehabilitation journeys but also extending this support to others in the local community struggling with addiction. Through mutual aid, individuals in recovery benefited from reciprocal support that created a sense of belonging and purpose, which is often crucial in overcoming addiction. This environment allowed service users to gain strength and resilience by seeing their struggles mirrored in others and by recognising the progress they had each made.

**Witton Bank Blackburn**
Witton Bank serves as a rehabilitation unit specialising in drug and alcohol recovery for men with a history of substance dependency. The facility provides 24-hour support and housing for a maximum of 21 individuals. The rehabilitation programme spans 26 weeks, during which participants focus on addressing challenges associated with drug and alcohol misuse, where they develop strategies to overcome addictive behaviour. During the year, there were 55 admissions to the project. Most residents came from Blackburn with Darwen, with whom the project holds a block contract. Additionally, other residents were from various locations throughout England via spot purchase provision from other local authorities.

**Supported Housing Blackburn**
16 individuals moved into a supported housing scheme and were supported in volunteering, education, and some secured employment. Each resident was provided with a self-contained flat and followed a case management process, which included a structured support plan with specific goals and regular target reviews. The project maintained a drug and alcohol-free environment.

**Oozehead House Blackburn**
The Oozehead House in Blackburn provided a stable community for up to 3 people throughout the year.

**Salford Stage 1 Houses**
A structured psychosocial programme working with drug and alcohol recovery providing residential accommodation in Salford continued with daily group sessions and individual mentoring. During the reporting period, 37 individuals joined the project. In addition to existing clients from the previous year, 22 men were

admitted to St Boniface House, and 15 women found accommodation in the Female House. Diverse recovery groups were conducted, covering topics such as conflict resolution, providing strategies for addressing addiction triggers, recovery mapping exercises, techniques for maintaining abstinence, and various other psychosocial interventions.

**Salford Stage 2 Houses**
In addition to clients from the previous year, 15 people moved into the stage 2 housing, living in the community and engaging in volunteering, training, and education. Mutual aid and support reinforced the ongoing process of cognitive change. The stage 2 project continued the work of stage 1 and encouraged residents to examine behaviour, cultivating pro-social engagement and ongoing learning.

**Manchester Road House – Salford**
The Manchester Road House was available for service users in stage 2.

**Bolton House**
The St. Ethelbert's Recovery House provided a 24/7 supportive residential community with a 12-step psychosocial environment. 9 people were admitted into its community.

**Criminal Justice Project Blackburn**
The criminal justice project engaged with 185 individuals, promoting abstinent-based recovery support facilitated through motivational group sessions and assistance from recovery peers. It explored pathways for individuals to transition from hostels to residential rehabilitation. This project was funded by the SSMTRG (Supplementary Substance Misuse Recovery Grant).

**Drop-in-Centre Blackburn**
The Drop-in Centre supported 250 individuals who accessed its service during the year, including 120 new registrations. The project provided a vital resource for individuals experiencing various forms of hardship, including poverty, social isolation, substance misuse, mental health challenges, homelessness, and other social barriers.
A core support component of the centre involved providing hot, nutritious meals daily. Over the year, 10,664 meals were prepared, ensuring that each visitor could rely on a consistent source of nourishment.

**Bridge to Home Project**
THOMAS has worked within a consortium led by Spring North Blackburn for the past twelve months, contributing to the Bridge to Home initiative. The programme is designed to support individuals transitioning from mental health hospital wards back into their local communities, ensuring they receive the necessary assistance and resources for a successful recovery journey. The programme has successfully assisted 176 patients across Lancashire, working within Blackburn, Blackpool, and Preston hospitals to connect patients with their needed support. We have coordinated the service by providing a manager to work with the other partners, feeding into the overall management team led by Spring North.

**Dynamic Intelligence Learning Framework (BRIEF Coaching)**
As part of the Dynamic Intelligence Learning Framework, the BRIEF Coaching Programme provided a unique opportunity for former service users with histories of addiction to progress into trainee coaching roles. The initiative aimed to build resilience and enhance professional development. Throughout the programme, trainees engaged with academic content and real-world coaching scenarios, which helped them develop coaching skills. At its heart, BRIEF Coaching aimed to be more than a professional training scheme – it embodied hope and personal transformation. By leveraging the strengths and insights gained from their recovery journeys, trainees were equipped to make a tangible impact in the lives of those they coached.

**Trainee BRIEF Coaches Share Their Experiences**

Trainee 1
In the past year, I have learned and developed skills for my personal and professional life. I have developed a

greater self-awareness in both of these areas. When I first became a trainee BRIEF coach, I was six months clean; I had come from a life of using drugs, crime, hostels and prison. When I began the 12-month course, I was willing to learn and achieve, but I didn't have professional knowledge of work life, boundaries, academia, and self-awareness. My social skills and commutation skills were basic. I had low confidence and low self-esteem. Since joining Dynamic Intelligence, I have been highly interested in what it offers and have developed a passion for learning. In the coming year, I plan to attend university and be supported by Dynamic Intelligence Learning.

Trainee 2
I've just finished the 12-month Dynamic Intelligence learning programme and have been working as a lived experience worker in THOMAS. Over the last twelve months, I've focused on self-development, and my confidence has grown significantly. I've enjoyed working alongside other people. The coaching programme has helped me discover new things about myself and work with a new skill base.

Trainee 3
Over the last twelve months, I've grown in confidence. The coaching programme has helped me tremendously. My placement in THOMAS has been working with people who visit its drop-in-centre daily, and we give out hot meals to those in need. I am starting a new post as a lived experience worker in a mental health project.

**Case Studies of Service Users.**

Service User 1
Before I came to THOMAS, I lived in a hostel in Blackburn. I was taking crack and Pregabalin nearly every day and smoking Cannabis. I felt trapped as I had been in THOMAS before and knew there was a better way to live. I had got myself into a toxic relationship with a girl who was using substances. I was in a bad way and owed people money for drugs, and deep down, I knew I had to change my life. I had lost everything again: my health, family and friends. Whilst in the hostel, I started engaging in groups with staff from the THOMAS project, which opened my eyes and made me want to get into recovery again. Arriving in THOMAS was like going home; I wanted to be clean from drugs. I am so grateful to the THOMAS staff for getting me into rehab and helping me. I've been here for two months and have changed a lot. I had a shaky start and wanted to leave, but I stayed. I am now on step 3 and feeling better. I feel like I am changing. I feel a lot happier, thanks, THOMAS. I am seeing and speaking to my family again and want them to be proud. I know it does not happen overnight, but I hope `they will be proud of me if I keep being consistent.

Service User 2
I woke up one morning, and my girlfriend had been out all night. She messaged me and asked to meet, and I agreed. When I met up with her, I knew she was lying about where she had been, so I confronted her. After an argument, she asked me for the keys to her house and then kicked me out. I was homeless again. I asked my brother if I could stay for a night, and he reluctantly agreed. The next day, I went to a hostel and asked for a room. I knew the staff as I had lived there before. Luckily, there was a room. I told the staff that I was only smoking cannabis, but on paydays, I was smoking Crack. I thought I was okay because I was not on heroin. On paydays, I would get back with my girlfriend and smoke crack; she would then argue with me and kick me out. I missed rent due to spending money with her, so I was in arrears.

I did manage to pay it mostly through each month, and the rest was on Crack. I then started borrowing money from other residents. This became a monthly cycle, and I was getting out of control. My life was just a cycle of this, and I felt hopeless, down and depressed. I would attend groups run by THOMAS every Friday. I was convinced the groups were for me because they were always relevant to me. My answer would always be no, but I am okay. I thought that I was not suffering consequences even though I was. At Christmas, my mum came to visit and stayed with my brother. I told her I was smoking Crack again. Before I left her on Christmas Eve, I asked to borrow £10. She said she only had £10. I took it from her purse. My mum said to my brother that I snatched it. Which made me feel very bad. 2 weeks later she was dead, the last time I saw her I took the money, THIS BROKE ME. A few days later, I spoke to a THOMAS member of staff and returned to the THOMAS Rehab. This time, I am seeing that my life needs to change. It's good to be here at THOMAS.

**Care Quality Commission Report**

THOMAS House Bolton was inspected on 13 June 2023, and the report was published on the CQC website on 26/7/2023. The overall Inspection was Good in all areas.
The report stated the following:

- The service provided safe care. The service had enough staff. Staff assessed and managed risk well and followed good practice with respect to safeguarding.
- Staff developed holistic, recovery-oriented care plans informed by a comprehensive assessment. They provided a range of treatments suitable to the client's needs and in line with national guidance about best practices.
- The teams included or had access to the full range of specialists required to meet clients' needs under their care. Managers ensured that these staff received training, supervision and appraisal. Staff worked well as a multidisciplinary team and with relevant services outside the organisation.
- Staff treated clients with compassion and kindness and understood the individual needs of clients. They actively involved clients in decisions and care planning.
- The service was easy to access. The staff planned and managed discharge well and had alternative pathways for people whose needs could not be met.
- The service was well-led, and the governance processes ensured its procedures ran smoothly.

**Medical Students**
We continued to provide social care placements for medical students at the University of Central Lancashire. Sixteen third-year students joined the THOMAS team for one month to gain a deeper understanding of the social determinants of health and the impact of drug and alcohol rehabilitation.

**Furniture Restoration Shops in Accrington.**
Our two charity furniture shops in Accrington have remained closed due to insufficient funding to sustain the project. However, they are rent-free and store considerable furniture for future project development.

**John Bentham**
John Bentham, our longest-serving employee, retired this year after over 20 years of dedicated service. Throughout his time with THOMAS, John played an integral role in our journey, contributing his wide array of talents to various aspects of our work. From supporting our technology needs to serving as a skilled handyman, John's versatility was invaluable. He was also instrumental in the production of Edges magazine, several in-house documentaries, and our annual presentations, often working behind the scenes to ensure everything ran smoothly. We are deeply grateful for all that he has done and wish him the very best in his retirement.

**b. INVESTMENT POLICY AND PERFORMANCE**
The trustees retain funds in an interest bearing account and take advantage of the interest received albeit currently at low rates.

**FINANCIAL REVIEW**

**a. GOING CONCERN**
After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**b. RESERVES POLICY**
The unrestricted general fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The Trustees are aiming to hold free reserves of six months of the operating expenditure of the charity. The Trustees have examined the requirement to maintain free reserves

and have concluded that the most appropriate level is six months of operational expenditure. This has not yet been achieved, a,although reserves are increasing to meet this requirement. At 31 March 2024, the charity had total funds of £1,538,854, of which £1,336,742 represented unrestricted funds.

**c. FINANCIAL RESULTS FOR THE YEAR**

The charitable company had total incoming resources of £1,702,936 for the year ended 31 March 2024 compared to £1,510,668 in the previous year. Resources expended to 31 March 2024 amounted to £1,632,360 (2023 - £1,398,061). This has resulted in a surplus for the year of £70,576 (2023 - Surplus of £112,607). Funds brought forward from previous years amounts to £1,468,278, which, together with current funds, total £1,538,854 to carry forward to 2024/25. These funds to carry forward include £202,112 of restricted funds.

**d. PRINCIPAL FUNDING**

Principal funding is provided by contracts with Blackburn with Darwen, spot purchase contracts via social care funding, Supporting People contract and a subcontract with Greater Manchester Mental Health NHS Foundation Trust housing benefits. The charity is also grateful for donations from sponsors..

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. CONSTITUTION**

The charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 September 2005.

The charity is constituted under a Memorandum of Association dated 28 September 2005 and is a registered charity number 1114489.

The charity has a Code of Governance that identifies its values and works within the remit of its Memorandum and Articles of Association.

## b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Trustees continually look to bring onto the board new people who reflect the diversity of the charity's targeted beneficiaries, as well as an understanding of the organisation's business needs.

## c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A comprehensive induction and training policy for new trustees is now implemented. This is designed to give the strategic board a greater insight in to operational activity that can influence their strategic thinking. All new trustees undergo an induction period, providing them with an opportunity to understand different aspects of the company. Specific training is identified between the individual trustee and chair of the board.

## d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

THOMAS consists of a board of trustees who are responsible for the strategic direction and overall performance of the charity. They meet at least four times a year to review quarterly financial and operational performance and the monitoring of the strategic plan. The day to day management of the charity is handed down to a professional management team. The chief executive leads the senior management team and reports directly to the board. The senior management team has expertise in business strategy, financial management and the operational objectives of the charity. In addition an external financial advisor feeds into the senior management team and also reports to the board. They set targets and monitor outputs. Operational managers' and the senior finance officer report to the chief executive who chairs a monthly meeting that monitors: outputs, targets, health & safety, safeguarding, human resources, data collection and business development. A sub-committee of the senior management team exists that monitors financial management and the senior finance officer reports directly to the chief executive and external financial advisor who both report directly to the board of directors/trustees.

## e. RISK MANAGEMENT

The Trustees have a risk register that is active and ongoing to monitor exposure to risk. They are satisfied that systems and procedures are in place to mitigate major risks.

**Governance**
Potential for weak strategy and monitoring: In-depth strategic and financial reporting is provided each quarter to the board so it can respond to strategic challenge. Levels of accountability are clearly defined between board, senior management, operational management and frontline. Policies are reviewed every two years and earlier if legislation necessitates. A business continuity policy/ plan is in place.

Skill Base of Board: The board has a quality assurance framework in place to recruit essential skill mix covering, finance, management, business and local knowledge.

**Financial Management**
Fraud: Systems are in place to minimise the risk of fraud. Different levels of responsibilities are in place to maximise control systems.

A risk register is constantly reviewed.

Income/Expenditure: Income and expenditure is analysed on a monthly basis. Contingency is allowed within overall budget with anticipated surpluses to compensate for under performance in other areas. The charity has invested in a central data analysis system that monitors operational performance linking into financial performance. Targets are set and outcomes monitored.

Loss of Public Sector Contracts: The charity is heavily reliant on public sector funding. However, its specialist asset base community has placed it in a good position to access sub contracts with prime providers. Local authority commissioning encourages partnership bids.

**Operational Management**
Under performance with subcontracts impacting contractual targets: The charity has performance management plans. Operational data reports are provided to managers on a weekly basis. Managers hold meetings with staff on a weekly basis and with senior management on a monthly basis.

Employment of Recovering Addicts: The charity employs a high proportion of people in recovery to fulfil its mission – hence the risk of relapse. However systems are in place to support staff through its outsourced HR Team.

Human Resources: The charity outsources its HR to a specialist team. This includes an occupational health unit, 24 hour help line for staff who may suffer from stress and a psychologist who is available for clinical supervision.

**Information Technology**
IT Data Performance Loss: All data is backed up and stored in an external data unit.

Security of Data: ThinkPads are used throughout the organisation with no data stored on individual computers. All data is managed on a network system with individual password access.

Breach of Information Governance: The charity is fully compliant with the NHS information governance toolkit. Information governance is part of staff induction. Staff engage on a refresher course each year.

**Health & Safety**
Fragmented Management of H&S: Health & safety is managed with risk assessments covering buildings, fire, generic project working, lone working and safeguarding. Each service user has an individual risk assessment.

**Environment**
Environmental factors are analysed on a regular basis with strategic planning to meet the challenge of the business environment. Business continuity procedures and plans are in place for unforeseen events.

**Regulated Activity**
The charity works with vulnerable people and is regulated under the Care Quality Commission. Its governance and management is independently inspected on a regular basis and it meets all CQC standards.

## PLANS FOR FUTURE PERIODS

### a. FUTURE DEVELOPMENTS

TTHOMAS intends to implement a mental health and well-being Project. The strategy is to expand its work in Blackburn by building on its established expertise and successes within substance addiction. The charity has been successful in a small-scale project funded by Lancashire and South Cumbria Health Authority as part of the Community Mental Health Transformation Project. The project will work with the social prescribing concept supporting individuals with mental health challenges. It aims to provide social activities, therapeutic groups, well-being sessions/physical exercise activities, creative groups and volunteering. The objective is to reduce feelings of isolation by creating social connections and empowering individuals to take greater control of their health and recovery. This holistic method aligns with the organisation's mission to address the social, emotional, and practical factors contributing to mental health issues, fostering resilience and a sense of community belonging. This strategic objective can potentially provide new business opportunities for the charity in the coming years.

PRE – (Promoting Recovery Engagement) is a new project designed to run from 1 April 2024 in Blackburn. It specifically aims to support individuals who disconnect from recovery programmes or find it challenging to engage with them. This project seeks to re-establish and maintain engagement in therapeutic and community activities by creating a supportive environment where individuals can share their experiences and challenges, fostering a sense of belonging and understanding. Particular emphasis is placed on understanding the reasons for disconnection and addressing them innovatively with tailored approaches based on individual needs. The project offers various therapeutic activities, such as group sessions, one-to-one support, and recreational activities that promote recovery and well-being. These activities are tailored to be more inclusive and accessible to those struggling with engagement. Additionally, PRE promotes mutual learning between staff and service users, ensuring that the support provided is continuously adapted based on feedback and outcomes.

The charity will continue to build on its spot purchase provision for Witton Bank, Blackburn, by responding to local authority tenders across England to secure new contracts. It also aims to submit new bids to re-open its charity shops in Accrington.

## MEMBERS' LIABILITY

The trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

## TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of T.H.O.M.A.S. (Those on the Margins of a Society) for the purposes of company law) are responsible for preparing the trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

## AUDITORS

The auditors, Smith & Goulding Limited, have indicated their willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

In preparing this report the trustees have taken advantage of the small companies exemption provided by section 419(2) of the Companies Act 2006.

Approved by the trustees on 13/3/2025 and signed on behalf of the board.

M. A. Fullalove J. M. Malcolm-Murphy
M. A. FULLALOVE J.M. Malcolm-Murphy

**Trustee** **Trustee**

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OPINION

We have audited the financial statements of T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) (the 'charity') for the year ended 31 March 2024 set out on pages 18 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### RESPONSIBILITIES OF TRUSTEES

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### OTHER MATTERS

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
-making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

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

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

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Simm

**Andrew Simm BSc FCA**
**for and on behalf of**
**Smith & Goulding Limited**

Chartered Accountants and Statutory Auditors

14 March 2025

2 Southport Road
Chorley
Lancashire
PR7 1LB

Andrew Simm BSc FCA
for and on behalf of
Smith & Goulding Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2024

| | Note | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | - | 31,966 | 31,966 | *30,805* |
| Charitable activities | | 13,726 | 1,652,490 | 1,666,216 | *1,478,535* |
| Other trading activities | 4 | - | - | - | *300* |
| Investments | 5 | - | 4,754 | 4,754 | *1,028* |
| **TOTAL INCOME** | | 13,726 | 1,689,210 | 1,702,936 | *1,510,668* |
| **EXPENDITURE ON:** | | | | | |
| Raising funds | 4 | - | - | - | *643* |
| Charitable activities | 7 | 12,215 | 1,620,145 | 1,632,360 | *1,397,418* |
| **TOTAL EXPENDITURE** | | 12,215 | 1,620,145 | 1,632,360 | *1,398,061* |
| **NET INCOME BEFORE TRANSFERS** | | 1,511 | 69,065 | 70,576 | *112,607* |
| Transfers between Funds | 15 | 230 | (230) | - | *-* |
| **NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | 1,741 | 68,835 | 70,576 | *112,607* |
| **NET MOVEMENT IN FUNDS** | | 1,741 | 68,835 | 70,576 | *112,607* |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 200,371 | 1,267,907 | 1,468,278 | *1,355,671* |
| **TOTAL FUNDS CARRIED FORWARD** | | 202,112 | 1,336,742 | 1,538,854 | *1,468,278* |

All activities relate to continuing operations.

The notes on pages 21 to 37 form part of these financial statements.

**T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)**
**(A company limited by guarantee)**
**REGISTERED NUMBER: 5577388**

## BALANCE SHEET
## AS AT 31 MARCH 2024

| | Note | £ | 2024 £ | £ | 2023 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | | **782,237** | | *835,275* |
| **CURRENT ASSETS** | | | | | |
| Debtors | 12 | **373,076** | | *162,009* | |
| Cash at bank and in hand | | **877,860** | | *846,570* | |
| | | **1,250,936** | | *1,008,579* | |
| **CREDITORS:** amounts falling due within one year | 13 | **(257,435)** | | *(105,876)* | |
| **NET CURRENT ASSETS** | | | **993,501** | | *902,703* |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,775,738** | | *1,737,978* |
| **CREDITORS:** amounts falling due after more than one year | 14 | | **(236,884)** | | *(269,700)* |
| **NET ASSETS** | | | **1,538,854** | | *1,468,278* |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 15 | | **202,112** | | *200,371* |
| Unrestricted funds | 15 | | **1,336,742** | | *1,267,907* |
| **TOTAL FUNDS** | | | **1,538,854** | | *1,468,278* |

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 13/3/2025 and signed on their behalf, by:

M. A. Fullalove
M. A. FULLALOVE
**Trustee**

J. M. Malcolmson-Murphy
J. M. Malcolmson-Murphy
**Trustee**

The notes on pages 21 to 37 form part of these financial statements.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 MARCH 2024

| | Note | 2024 £ | 2023 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash provided by operating activities | 17 | **31,290** | *230,883* |
| **Cash flows from investing activities:** | | | |
| Purchase of tangible fixed assets | | **-** | *(36,094)* |
| **Net cash used in investing activities** | | **-** | *(36,094)* |
| **Change in cash and cash equivalents in the year** | | **31,290** | *194,789* |
| Cash and cash equivalents brought forward | | **846,570** | *651,781* |
| **Cash and cash equivalents carried forward** | | **877,860** | *846,570* |

The notes on pages 21 to 37 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

## 1. ACCOUNTING POLICIES (continued)

### 1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## 1. ACCOUNTING POLICIES (continued)

### 1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | 2% straight line |
| L/Term Leasehold Property | - | 2% straight line |
| S/Term Leasehold Property | - | 20% straight line |
| Plant & machinery | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Fixtures & fittings | - | 20% straight line |
| Office equipment | - | 20% straight line |
| Medical equipment | - | 20% straight line |

The freehold property is stated at cost less accumulated depreciation. The property has been valued at £475,000 which is below the net book value in the accounts. However, as the Trustees consider that the cost of purchasing and converting a similar property would exceed the current book value of the property, it is not considered necessary to write down the value of the asset on the balance sheet.

## 1. ACCOUNTING POLICIES (continued)

### 1.5 INTEREST RECEIVABLE

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

### 1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

### 1.7 DEBTORS

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

### 1.8 CASH AT BANK AND IN HAND

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

### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 1.10 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.11 PENSIONS

Contributions to the charity's defined contribution pension scheme are charged as expenditure in the year in which they become payable.

## 1. ACCOUNTING POLICIES (continued)

### 1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### 1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:
- Depreciation

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|
| Donations including Gift Aid | - | **23,285** | **23,285** | *18,845* |
| Sisters of St Joseph | - | **5,000** | **5,000** | *5,000* |
| Fort Foundation | - | **500** | **500** | *-* |
| Give As You Live Ltd | - | **2,376** | **2,376** | *4,960* |
| The Asda Foundation | - | **-** | **-** | *1,000* |
| Sacred Heart Church | - | **305** | **305** | *-* |
| Napthens LLP | - | **500** | **500** | *-* |
| Trustee of Trelix Charitable Trust | - | **-** | **-** | *1,000* |
| Total donations and legacies | - | **31,966** | **31,966** | *30,805* |
| *Total 2023* | - | *30,805* | *30,805* | |

## 3. CONTRACTS FOR CHARITABLE SERVICES

| | Restricted Funds 2024 £ | Unrestricted Funds 2024 £ | Total Funds 2024 £ | *Total Funds 2023 £* |
|---|---|---|---|---|
| BwD BC - Supporting People - GU | - | **27,843** | **27,843** | *24,033* |
| BwD BC Social Fund - Emergency Food Provision | - | **20,000** | **20,000** | *22,000* |
| BWD BC - Housing Support Grant | - | - | - | - |
| Service User Housing Benefits - Galligreaves Unit | - | **83,547** | **83,547** | *68,096* |
| BWD BC - Infection Control | - | - | - | - |
| Service User General Benefits - Witton Bank | - | **81,141** | **81,141** | *72,748* |
| BWD SSMTRG | - | **71,250** | **71,250** | *57,000* |
| Service User Housing Benefits - Salford | - | **250,788** | **250,788** | *232,731* |
| BST SSMTRG | - | **38,300** | **38,300** | *186,000* |
| Servicer User Housing Benefits - BwD Gateways/Oozehead Lane | - | **19,097** | **19,097** | *17,272* |
| Additional spot purchase/ funding for bolton house/ salford | - | **75,124** | **75,124** | - |
| Local Authority Funding for Witton Bank Rehab and Spot Purchase | - | **359,865** | **359,865** | *284,980* |
| Greater Manchester Mental Health NHS - Salford | - | **430,000** | **430,000** | *465,829* |
| Bolton House - Service User Housing Benefits | - | **61,584** | **61,584** | - |
| Selnet Ltd | **7,556** | - | **7,556** | *27,374* |
| Spring North | - | **43,333** | **43,333** | - |
| Other small grants | - | **375** | **375** | *1,461* |
| Albert Gubay | - | **33,334** | **33,334** | - |
| The 29 May 1961 Charity | - | **3,000** | **3,000** | *3,000* |
| UCLAN | - | - | - | *6,000* |
| National Lottery Community Fund | - | **53,909** | **53,909** | - |
| VCFSE | **6,170** | - | **6,170** | - |
| DWP Kickstart | - | - | - | *10,011* |
| Total | **13,726** | **1,652,490** | **1,666,216** | *1,478,535* |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 4. CHARITY TRADING INCOME

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|
| **CHARITY TRADING INCOME** | | | | |
| Income from Charity Shop | - | - | - | *300* |
| | - | - | - | *300* |
| **FUNDRAISING TRADING EXPENSES** | | | | |
| Charity Shop trading expenses | - | - | - | *643* |
| | - | - | - | *643* |
| Net expenditure from charity trading income | - | - | - | *(343)* |

In 2023 all trading income were from unrestricted funds.In 2024 there was no trading income as the shops weren't traading.

### 5. INVESTMENT INCOME

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|
| Investment income | - | **4,754** | **4,754** | *1,028* |
| *Total 2023* | - | *1,028* | *1,028* | |

### 6. SUPPORT COSTS

| | THOMAS £ | Total 2024 £ | *Total 2023 £* |
|---|---|---|---|
| Core storage rent and utility costs | **5,911** | **5,911** | *4,794* |
| Wages and salaries | **43,152** | **43,152** | *36,750* |
| National insurance | **3,779** | **3,779** | *3,184* |
| Pension cost | **1,186** | **1,186** | *791* |
| | **54,028** | **54,028** | *45,519* |
| *Total 2023* | *45,519* | *45,519* | |

## 6. SUPPORT COSTS (continued)

During the year ended 31 March 2024, the charity incurred the following Governance costs:

## 7. GOVERNANCE COSTS

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|
| Accountancy fees | - | **4,421** | **4,421** | *6,052* |
| Auditors' remuneration | - | **6,800** | **6,800** | *4,000* |
| Legal and professional fees | - | **12,818** | **12,818** | *11,160* |
| Loan interest | - | **17,891** | **17,891** | *19,757* |
| Bank charges and loan arrangement fees | - | **1,687** | **1,687** | *1,950* |
| | **-** | **43,617** | **43,617** | *42,919* |

## 8. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2024 £ | *2023 £* |
|---|---|---|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | **53,038** | *54,356* |
| Auditors' remuneration - audit | **6,800** | *4,000* |
| Accountancy fees | **4,421** | *6,052* |
| Operating lease rentals | **-** | *122,855* |

During the year, no trustees received any remuneration (2023 - £NIL).
During the year, no trustees received any benefits in kind (2023 - £NIL).
During the year, no trustees received any reimbursement of expenses (2023 - £NIL).

**Operating Leases**

| | 2024 £ | *2023 £* |
|---|---|---|
| Land and buildings | **-** | *122,855* |
| Office equipment | **-** | *-* |
| Total | **-** | *122,855* |

## 9. DIRECT COSTS (Excl Support and Governance costs)

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Building and general office costs | **388,164** | *314,779* |
| Printing, postage and stationery | **7,279** | *5,743* |
| Travel and volunteer expenses | **10,429** | *5,366* |
| Staff training and resources | **4,092** | *9,144* |
| Sessional worker costs | **1,040** | *1,247* |
| Client living expenses | **152,149** | *130,635* |
| Staff recruitment | **1,880** | *1,770* |
| Social enterprise costs | **2,407** | *979* |
| Wages and salaries | **819,901** | *698,250* |
| Employers national insurance | **71,808** | *60,489* |
| Employers pension costs | **22,528** | *15,019* |
| Depreciation | **53,038** | *54,356* |
| Legal and professional | **-** | *11,203* |
| | **1,534,715** | *1,308,980* |

## 10. STAFF COSTS

Staff costs were as follows:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **863,054** | *735,000* |
| Social security costs | **75,587** | *63,673* |
| Other pension costs | **23,714** | *15,810* |
| | **962,355** | *814,483* |

The average number of persons employed by the charity during the year was as follows:

| | 2024 | 2023 |
|---|---|---|
| | No. | No. |
| Project personnel | **30** | *27* |
| Charity administration (incl projects) | **5** | *5* |
| | **35** | *32* |

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by management and key personnel amounted to 2024 - £105,553 (2023 - £103,871).

## 11. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Other fixed assets £ | Total £ |
|---|---|---|---|
| **COST** | | | |
| At 1 April 2023 and 31 March 2024 | **1,247,182** | **199,447** | **1,446,629** |
| **DEPRECIATION** | | | |
| At 1 April 2023 | **445,163** | **166,191** | **611,354** |
| Charge for the year | **42,728** | **10,310** | **53,038** |
| At 31 March 2024 | **487,891** | **176,501** | **664,392** |
| **NET BOOK VALUE** | | | |
| At 31 March 2024 | **759,291** | **22,946** | **782,237** |
| *At 31 March 2023* | *802,019* | *33,256* | *835,275* |

At 31 March 2024, included within the net book value of land and buildings is £607,568 (2023 - £626,228) relating to freehold land and buildings, £116,061 (2023 - £118,200) relating to long term leasehold land and buildings and £42,004 (2023 - £57,593) relating to short term leasehold land and buildings.

The buildings include Witton Bank, Spring Lane which has a security held against this building by the Unity Bank with a second legal charge being held by Futurebuilders. The Net book value of this secured property is £607,568.

## 12. DEBTORS

| | 2024 £ | *2023 £* |
|---|---|---|
| Trade debtors | **279,386** | *55,393* |
| Other debtors | **26,704** | *23,164* |
| Prepayments and accrued income | **66,986** | *83,452* |
| | **373,076** | *162,009* |

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

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Bank loan | **17,391** | *17,391* |
| Other loan | **12,792** | *12,792* |
| Trade creditors | **24,624** | *39,159* |
| Other taxation and social security | **17,346** | *16,454* |
| Other creditors | **78,158** | *4,522* |
| Accruals and deferred income | **107,124** | *15,558* |
| | **257,435** | *105,876* |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Bank loan | **46,243** | *63,864* |
| Other loan | **190,641** | *205,836* |
| | **236,884** | *269,700* |

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Repayable by instalments | **139,472** | *148,968* |

The bank loan is from Unity Trust Bank plc and £63,634 is still owing at 31 March 2024 (total loan repayable over 25 years at a rate of interest of 2.25% over the Bank's Base Rate). The other loan is for £203,433 from Futurebuilders England and is repayable over 25 years at a rate of interest of 3% over the Bank's Base Rate.

The borrowings from Unity Trust Bank are secured by a first legal charge on Witton Bank, Spring Lane, Blackburn. Futurebuilders have the second legal charge on the property. The amount of the secured liability is £363,506.

## 15. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2024 £ |
|---|---|---|---|---|---|
| **UNRESTRICTED FUNDS** | | | | | |
| General Funds - all funds | **1,267,907** | **1,689,210** | **(1,620,145)** | **(230)** | **1,336,742** |

**RESTRICTED FUNDS**

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2024 £ |
|---|---|---|---|---|---|
| Futurebuilders - capital grant | **80,405** | **-** | **(2,800)** | **-** | **77,605** |
| BwD PCT - capital grant | **1,698** | **-** | **(240)** | **-** | **1,458** |
| BwD DAAT - capital grant | **226** | **-** | **(60)** | **-** | **166** |
| Selnet Ltd | **(7,786)** | **7,556** | **-** | **230** | **-** |
| Public Health England - capital grant - new building | **125,828** | **-** | **(2,945)** | **-** | **122,883** |
| VCFSE | **-** | **6,170** | **(6,170)** | **-** | **-** |
| | **200,371** | **13,726** | **(12,215)** | **230** | **202,112** |
| Total of funds | **1,468,278** | **1,702,936** | **(1,632,360)** | **-** | **1,538,854** |

### STATEMENT OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2022 £* | *Income £* | *Expenditure £* | *Balance at 31 March 2023 £* |
|---|---|---|---|---|
| General Funds - all funds | *1,141,420* | *1,473,283* | *(1,346,796)* | *1,267,907* |

## 15. STATEMENT OF FUNDS (continued)

### RESTRICTED FUNDS

| | *Balance at 1 April 2022* £ | *Income* £ | *Expenditure* £ | *Balance at 31 March 2023* £ |
|---|---|---|---|---|
| Futurebuilders - capital grant | *83,205* | - | *(2,800)* | *80,405* |
| BwD PCT - capital grant | *1,938* | - | *(240)* | *1,698* |
| BwD DAAT - capital grant | *286* | - | *(60)* | *226* |
| Selnet Ltd | *49* | *27,374* | *(35,209)* | *(7,786)* |
| Public Health England - capital grant - new building | *128,773* | - | *(2,945)* | *125,828* |
| DWP Kickstart | - | *10,011* | *(10,011)* | - |
| | *214,251* | *37,385* | *(51,265)* | *200,371* |

**Restricted Funds:**

Restricted funds to be carried forward into the next financial year are;

Futurebuilders - This fund is to be utilised in respect of capital works carried out to the Witton Bank property.

BWD PCT - To be spent on capital works at Witton Bank and 181 - 192 Dickson Close properties.

BWD DAAT - This is to be utilised for improvements made to previous rental properties within Blackburn and Darwen.

Public Health England new building grant - This fund has been utilised in purchasing a new property in the Salford area.

Selnet Ltd - This fund is for Building Better Opportunities and will be fully utilised over the next few years.

DWP Kickstart - This funding is to cover the salaries of young people to give them experience to get into employment.

**SUMMARY OF FUNDS - CURRENT YEAR**

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2024 £ |
|---|---|---|---|---|---|
| General funds | 1,267,907 | 1,689,210 | (1,620,145) | (230) | 1,336,742 |
| Restricted funds | 200,371 | 13,726 | (12,215) | 230 | 202,112 |
| | 1,468,278 | 1,702,936 | (1,632,360) | - | 1,538,854 |

**SUMMARY OF FUNDS - PRIOR YEAR**

| | *Balance at 1 April 2022 £* | *Income £* | *Expenditure £* | *Balance at 31 March 2023 £* |
|---|---|---|---|---|
| General funds | *1,141,420* | *1,473,283* | *(1,346,796)* | *1,267,907* |
| Restricted funds | *214,251* | *37,385* | *(51,265)* | *200,371* |
| | *1,355,671* | *1,510,668* | *(1,398,061)* | *1,468,278* |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Tangible fixed assets | - | 782,237 | 782,237 |
| Current assets | 202,112 | 1,048,824 | 1,250,936 |
| Creditors due within one year | - | (257,435) | (257,435) |
| Creditors due in more than one year | - | (236,884) | (236,884) |
| | 202,112 | 1,336,742 | 1,538,854 |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | *Restricted funds 2023* £ | *Unrestricted funds 2023* £ | *Total funds 2023* £ |
|---|---|---|---|
| Tangible fixed assets | *208,157* | *627,118* | *835,275* |
| Current assets | *(7,786)* | *1,016,365* | *1,008,579* |
| Creditors due within one year | - | *(105,876)* | *(105,876)* |
| Creditors due in more than one year | - | *(269,700)* | *(269,700)* |
| | *200,371* | *1,267,907* | *1,468,278* |

## 17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | **2024** £ | *2023* £ |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **70,576** | *112,607* |
| **Adjustment for:** | | |
| Depreciation charges | **53,038** | *54,356* |
| (Increase)/decrease in debtors | **(211,067)** | *101,189* |
| Increase/(decrease) in creditors | **118,743** | *(37,269)* |
| **Net cash provided by operating activities** | **31,290** | *230,883* |

## 18. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | **2024** £ | *2023* £ |
|---|---|---|
| Cash in hand | **877,860** | *846,570* |
| Total | **877,860** | *846,570* |

## 19. PENSION COMMITMENTS

Payments were made to personal pension plans for the year ended 31 March 2024. Outstanding monies due at 31 March 2024 amounted to £4,509 (2023 - £2,999) and are included in creditors.

## 20. OPERATING LEASE COMMITMENTS

At 31 March 2024 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

| | Land and buildings | | Other | |
|---|---|---|---|---|
| | **2024** | *2023* | **2024** | *2023* |
| | **£** | *£* | **£** | *£* |
| **AMOUNTS PAYABLE:** | | | | |
| Within 1 year | **40,999** | *30,714* | **-** | *-* |

## 21. RELATED PARTY TRANSACTIONS

No related party transactions occurred in the years ended 31 March 2024 and 31 March 2023.

## 22. CONTROLLING PARTY

The charity is controlled by the Trustees.

## 23. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company was incorporated in England and the registered office is as follows:-

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)**

England & Wales - Charity number 1114489

# Accounts

Registered number: 5577388
Charity number: 1114489

# T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

**(A company limited by guarantee)**

**AUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)**
**(A company limited by guarantee)**

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T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

### Trustees

J M Malowana-Murphy
C J Porter
J Skaria
L Flood
M Fullalove
D Jameson
N Malley

### Company registered number

5577388

### Charity registered number

1114489

### Registered office

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

### Company secretary

Reverend J P McCartney

### Chief executive officer

Reverend J P McCartney

### Independent auditors

Smith & Goulding Limited
Chartered Accountants and Statutory Auditors
2 Southport Road
Chorley
Lancashire
PR7 1LB

### Bankers

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

### Advisers (continued)

### Solicitors

Farleys Solicitors
Hurstwood Court
Dutton's Way
Shadsworth Business Park
Blackburn
BB1 2QR

### Accountancy Services

CW Accountants Ltd
3.0 Brotherston Drive
Blackburn
Lancashire
BB2 4FJ

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report together with the audited financial statements of the charity T.H.O.M.A.S. (Those on the Margins of a Society) (the charity) for the year ended 31st March 2023. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## OBJECTIVES AND ACTIVITIES

### a. POLICIES AND OBJECTIVES

T.H.O.M.A.S. is a charity which provides rehabilitation, resettlement and accommodation for people suffering from drug and alcohol abuse. It also educates the public about the effects of drug and alcohol abuse, housing need and social exclusion. In addition it provides a drop-in centre for people in need. Its objectives are protected with a comprehensive set of policies and procedures.

### b. STRATEGIES FOR ACHIEVING OBJECTIVES

As part of its recovery services, THOMAS offers psychosocial programmes designed to assist individuals in addressing their drug and alcohol addictions. The organisation employs an integrated approach to psychosocial interventions in Blackburn, Salford, and Bolton. This approach includes:

- Supporting the establishment of conveniently located recovery housing with an impressive community spirit.
- Providing residential rehabilitation, including a unit specifically for female rehabilitation.
- Implementing a dynamic group programme at each location that advocates the 12-step philosophy
- Delivering various holistic, recovery-focused services, including support for detox and the transition from residential rehabilitation to community-based support.
- Offering drop-in facilities, assertive outreach recovery programmes incorporating cognitive, social, and interpersonal methods, and assistance with broader issues related to addiction.
- Supplying a daily hot meal for individuals in need in Blackburn.
- Collaborating as a subcontractor in the delivery of recovery programmes with GMMH (Greater Manchester Mental Health Trust Foundation)
- Providing accommodation and support for transitioning to independent living.
- Offering volunteer placements to help individuals gain skills and build confidence.
- Supporting people into employment.

The charity has commendable cognitive and reflective spiritual programmes, fostering a robust and optimistic culture of sustainable recovery. Moreover, its peer-led initiatives play a pivotal role in ensuring meaningful involvement. The charity's specialised ethos encourages observational learning, emphasising that individuals can transform negative behaviours by living in a community and learning from one another. Asset-based community resources play a crucial role in its comprehensive strategy, facilitating enduring growth and the establishment of individual assets based on the strengths and potentials of its recovery communities.

Similarly, the charity operates as a primary contractor in the broader framework of local authority commissioning for integrated services in Blackburn and Darwen. Additionally, it engages in spot purchase arrangements for drug and alcohol rehabilitation beds commissioned across England.

Furthermore, the charity links in with mental health services, homeless services, vulnerable adults, and children services to support the needs of the charity's service users,

Complex, vulnerable adults can be signposted or supported in partnership with other specialist services in an integrated care and social support strategy.

**c. VOLUNTEERS**

*The charity is grateful for the unstinting efforts of its volunteers involved in service provision and working in the charity shop. The number of volunteer hours provided during the year is estimated to have been over 7,200. If this is conservatively valued at £9.53 an hour, the volunteer effort amounts to over £68,616. This was higher than the previous year..*

*Equally, the charity is thankful to Salford Diocese for the free use of St Anne's House, Blackburn, St Boniface's Presbytery, Salford, and St Ethelbert' Bolton.*

## PUBLIC BENEFIT

Our main activities and who we try to help are described below. The trustees have given due regard to the guidance published by the Charity Commission and are confident that the activities of the charity comply with Section 17(5) of the Charities Act 2011. All our charitable activities focus on the prevention and treatment of drug and alcohol abuse and are undertaken to further our charitable purposes for the public benefit.

## ACHIEVEMENTS AND PERFORMANCE

### a. REVIEW OF ACTIVITIES

In this financial year, THOMAS worked with 859 people; 263 referrals were made for its residential rehabilitation projects, 202 assessments and 129 admissions; 218 people accessed its drop-in-centre for a hot meal, where 11,793 meals were served. Similarly, 310 individuals engaged with its criminal justice project.

Projects are outlined below.

**Witton Bank Residential Rehabilitation Unit Blackburn**

- 154 Referrals
- 122 Assessments
- 64 Admissions
- 33 Planned Discharges
- 24 Unplanned Discharges

**Galligreaves Stage 2 Residential Project Blackburn**

- 11 Admissions
- 2 Planned Discharges

**Oozehead Recovery House Blackburn**

- 4 Admissions
- 2 Planned Discharges

**Salford Residential Project**

- 109 Referrals
- 58 Assessments
- 32 Admissions (Stage 1)
- 11 Admissions (Stage 2)
- 14 planned discharges (Stage 1)
- 6 planned discharges (Stage 2)
- 10 unplanned discharges (Stage 1)
- 5 unplanned discharges (Stage 2)

**Bolton Residential Project**

- 22 referrals
- 7 admissions (project opened November 2022)
- 1 planned discharge
- 3 unplanned discharges

**Drop-In-Centre Project Blackburn**
- 120 new registrations
- 118 currently registered
- On average 38 people accessed the project on a daily basis.

**Criminal Justice Project**
- 272 individuals engaged with the project living in hostels in Blackburn & Darwen

38 inmates took part in motivational groups in HMP Forest Bank.

**Mutual Aid and Peer Support**
THOMAS consistently promoted mutual aid and peer support throughout its residential projects, cultivating an environment conducive to transformative change. The service users took on the role of recovery ambassadors, offering support to one another in their rehabilitation journeys and extending this support to their peers in the community.

**Witton Bank Blackburn**
Witton Bank serves as a rehabilitation unit specialising in drug and alcohol recovery for men with a history of substance dependency. The facility provides 24-hour support and housing for a maximum of 21 individuals. The rehabilitation programme spans 26 weeks, during which participants focus on addressing challenges associated with drug and alcohol misuse, where they develop strategies to overcome addictive behaviour.

During the year, there were 64 admissions to the project. Most residents primarily originated from Blackburn with Darwen, with whom the project holds a block contract. Additionally, some residents were from various locations throughout England via spot purchase beds from local authorities.

**Supported Housing Blackburn**
11 people moved into the supported housing scheme, which comprises 12 flats. They received support to engage in volunteering, education, and some were successfully placed into employment. Each service user underwent case management, involving a structured support plan with defined goals and regular reviews of targets. The project upheld a strict policy of maintaining a total abstinence environment.

**Oozehead House Blackburn**
The Oozehead House Blackburn provided a stable community for up to 3 people throughout the year.

**Salford Stage 1 Houses**
A structured psychosocial programme with abstinent residential accommodation in Salford continued with daily group sessions and individual mentoring. During the reporting period, 38 individuals joined the project. In addition to existing clients from the previous year, 25 men were admitted to St Boniface House, and 7 women found accommodation in the Female House. Diverse recovery groups were conducted, covering topics such as conflict resolution, providing strategies for addressing addiction triggers, recovery mapping exercises, techniques for maintaining abstinence, and various other psychosocial interventions.

**Salford Stage 2 Houses**
In addition to clients from the previous year, 11 people moved into the stage 2 housing, living in the community and engaging in volunteering, training and education. The ongoing process of cognitive change was reinforced with mutual aid and support. The stage 2 project continued the work of stage 1 and encouraged residents to examine behaviour, cultivating pro-social engagement and ongoing learning.

**Manchester Road House – Salford**

Manchester Road house was available to work with clients.

**Bolton House**
The St. Ethelbert's recovery house commenced operations in November 2022, serving as a 24/7 supportive residential community that provides a 12-step psychosocial environment. 7 people were admitted into its community. This project was supported by the SSMTRG (Supplementary Substance Misuse Recovery Grant).

**Criminal Justice Project Blackburn**

The criminal justice project engaged with 272 individuals in hostels and 38 ex-offenders at HMP Forest Bank, promoting abstinent-based recovery support, facilitated through motivational group sessions, assistance from recovery peers, exploring pathways for individuals to transition from hostels and prison to residential rehabilitation. This project was supported by the SSMTRG (Supplementary Substance Misuse Recovery Grant).

THOMAS Data Monitoring showed that the following were successfully discharged from its residential projects.
- 59% Witton Bank Blackburn – (Male House)
- 98% Galligreaves Blackburn (Male)
- 53% St Boniface Salford Stage 1 (Male)
- 63% Scovell House Salford Stage 1- (Female)
- 80% Stage 2 Projects Salford (Male & Female)

**Age range in residential projects (Blackburn – Stage 1)**

| | |
|---|---|
| 18 – 24 | 3% |
| 25 – 29 | 10% |
| 30 - 39 | 29% |
| 40 – 49 | 29% |
| 50-59 | 1% |
| 60-65 | 0% |
| 65+ | 0% |

**Age range in residential projects (Blackburn – Stage 2 (Male)**

| | |
|---|---|
| 18 – 24 | 0% |
| 25 – 29 | 0% |
| 30 - 39 | 76% |
| 40 – 49 | 12% |
| 50-59 | 12% |
| 60-65 | 0% |
| 65+ | 0% |

**Age range in residential projects (Salford & Bolton – Stage 1 (Male & Female)**

| | |
|---|---|
| 18 – 24 | 3% |
| 25 – 29 | 3% |
| 30 - 39 | 23% |
| 40 – 49 | 30% |
| 50-59 | 23% |
| 60-65 | 12% |
| 65+ | 6% |

**Age range in residential projects (Salford & Bolton – Stage 2 (Male & Female)**

| | |
|---|---|
| 18 – 24 | 10% |
| 25 – 29 | 0% |
| 30 - 39 | 20% |
| 40 – 49 | 30% |
| 50-59 | 20% |

| | |
|---|---|
| 60-65 | 10% |
| 65+ | 10% |

**Care Quality Commission Inspections**
The Care Quality Commission (CQC) inspection reports highlight our commitment to delivering quality care. All our regulated services are commended for maintaining high standards in service user safety, effective care, responsiveness to people's needs, good governance and well led. The inspections note service users' positive feedback and acknowledge our continuous efforts to improve services. It underscores compliance with regulatory standards and emphasises the positive impact on the well-being of those we serve. The CQC inspections affirm our commitment to good social care delivery.

The most recent report for Witton Bank Blackburn (19 July 2022) stated the following:

- The service provided safe care. The premises were safe and clean. The service had enough staff. Staff assessed and managed risk well and followed good practice with respect to safeguarding.
- Staff developed holistic, recovery-orientated care plans informed by a comprehensive assessment. They provided care and treatment suitable to the needs of the clients and in line with national guidance and best practice.
- Staff treated clients with compassion and kindness, respected their privacy and dignity and understood their individual needs. Staff actively involved clients in their care.
- Managers ensured staff received training and supervision. Staff worked well together as a team and with relevant services outside of the organisation.
- Staff planned and managed admission and discharge well.
- The service was well led. Governance processes ensured that quality and performance was monitored, incidents and complaints were investigated, and learning was disseminated to staff.

**Service Users' Feedback**

**Service User 1**
Before I came to THOMAS, I was living in a hostel. I was taking cocaine and crack nearly every day, and it was getting a hold of me. I was having to shoplift every day to get the drugs. I was in a bad space and owed people money for drugs, and deep down, I knew I had to change my life. I had lost everything, including family and friends. When I was in the hostel, I was doing a group with staff from the THOMAS rehab, which made me open my eyes, and I wanted to get into recovery and wanted to be clean from drugs.

I am so grateful to the THOMAS staff for getting me into rehab and helping me. I've been here for over three months, and I've changed a lot; I've done my 12 steps, I'm going to the gym three times a week, and I am seeing and speaking to my daughters again, and that's all I want in life: to be a good person.

**Service User 2**
I am 24 years old and I'm an addict. From about age 16 I've been using all kinds of drugs but recently before rehab crack cocaine was my drug of choice. Growing up my drug use caused me so many problems including losing all my family and being sectioned on hospital numerous times. I just could not stop using drugs and felt deflated. I would be picking up drugs being physically sick with anxiety but didn't have the power to stop on my own. What brought me to THOMAS was a series of events as follows - I was basically being used as a modern day slave to sell drugs in Bolton, I saw no way out so I escaped to Blackburn. When in Blackburn I got put into a Hostel.
My using and level of crime spiraled to the point I was taking overdoses and hurting everyone around me. I knew of a THOMAS member of staff coming into the hostel delivering groups but was so gripped with fear that I thought I was past any form of help, one overdose later at the hospital a person from SPARK told me I needed rehab. From that first day to now my life is so much different not only do I have my family back, my metal heath is good and I'm physically fit. I have re-developed a conscience of what is right and wrong. I've got a lovely girlfriend, and for once, I'm happy this is from someone who thought they were past human help. All thanks go to my peers, THOMAS and Alcoholics Anonymous.

**News Items**

Salford

- THOMAS Salford features in BBC Northwest News in its partnership with GMMH Chapman Barker Unit
- Salford residents linking in with horticulture project Sow the City, working in the THOMAS gardens growing fruit & vegetates.
- Female residents attending sessions with "Stand up Sister" (A female well-being group)
- New flooring at the Scovell Street property
- New security cameras and fencing fitted at the Scovell property
- Opening Day at St Boniface took place with Achieve Partners
- New staff recruited for Bolton House
- Bolton House opened on 14 November 2022
- Two new members of staff were appointed in Salford (residential worker for the female project and lead group worker)
- A new minibus was purchased for Bolton House.

Blackburn

- Third-year medical students from the University of Central Lancashire work with THOMAS on placements in its Blackburn projects.
- New kitchens and bathrooms fitted at Galligreaves
- New Team leader appointed at Witton Bank.
- Witton Bank receives a good inspection report from the Care Quality Commission.

**Dynamic Intelligence Learning**
The CEO led the dynamic intelligence learning programme, focusing on attention spans, cognitive assimilation and accommodation, and researching engagement and disengagement with hard-to-reach groups.

**Dawn Clarke**
In the year, we mourned the passing of a cherished member of our Salford team, Dawn Clarke. Dawn was not just a dedicated worker; she inspired both staff and service users alike. Her unwavering commitment and hard work left an indelible mark on our community. Dawn's absence is deeply felt, and she is fondly remembered by all who had the privilege of working alongside her. Her legacy of dedication and inspiration continues to resonate within our team, and she will be dearly missed.

**b. INVESTMENT POLICY AND PERFORMANCE**
The trustees retain funds in an interest bearing account and take advantage of the interest received albeit currently at low rates.

**FINANCIAL REVIEW**

**a. GOING CONCERN**
After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**b. RESERVES POLICY**
The unrestricted general fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The Trustees are aiming to hold free reserves of six months of the operating expenditure of the charity. The Trustees have examined the requirement to maintain free reserves and have concluded that the most appropriate level is six months of operational expenditure. This has not yet been achieved, a,although reserves are increasing to meet this requirement. At 31 March 2023, the charity had total funds of £1,468,278, of which £1,267,907 represented unrestricted funds.

**c. FINANCIAL RESULTS FOR THE YEAR**

The charitable company had total incoming resources of £1,510,668 for the year ended 31 March 2023 compared to £1,411,708 in the previous year. Resources expended to 31 March 2023 amounted to £1,398,061 (2022 - £1,447,994). This has resulted in a surplus for the year of £112,607 (2022 - Deficit of £36,286). Funds brought forward from previous years amounts to £1,355,671, which, together with current funds, total £1,468,278 to carry forward to 2023/24. These funds to carry forward include £200,371 of restricted funds.

### d. PRINCIPAL FUNDING

Principal funding is provided by contracts with Blackburn with Darwen, spot purchase contracts via social care funding, Supporting People, subcontracts with Greater Manchester Mental Health NHS Foundation Trust (GMMH) Change, ,Housing benefits. The charity is also grateful for donations from sponsors.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### a. CONSTITUTION

The charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 September 2005.

The charity is constituted under a Memorandum of Association dated 28 September 2005 and is a registered charity number 1114489.

The charity has a Code of Governance that identifies its values and works within the remit of its Memorandum and Articles of Association.

## b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Trustees continually look to bring onto the board new people who reflect the diversity of the charity's targeted beneficiaries, as well as an understanding of the organisation's business needs.

## c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A comprehensive induction and training policy for new trustees is now implemented. This is designed to give the strategic board a greater insight in to operational activity that can influence their strategic thinking. All new trustees undergo an induction period, providing them with an opportunity to understand different aspects of the company. Specific training is identified between the individual trustee and chair of the board.

## d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

THOMAS consists of a board of trustees who are responsible for the strategic direction and overall performance of the charity. They meet at least four times a year to review quarterly financial and operational performance and the monitoring of the strategic plan. The day to day management of the charity is handed down to a professional management team. The chief executive leads the senior management team and reports directly to the board. The senior management team has expertise in business strategy, financial management and the operational objectives of the charity. In addition an external financial advisor feeds into the senior management team and also reports to the board. They set targets and monitor outputs. Operational managers' and the senior finance officer report to the chief executive who chairs a monthly meeting that monitors: outputs, targets, health & safety, safeguarding, human resources, data collection and business development. A sub-committee of the senior management team exists that monitors financial management and the senior finance officer reports directly to the chief executive and external financial advisor who both report directly to the board of directors/trustees.

## e. RISK MANAGEMENT

The Trustees have a risk register that is active and ongoing to monitor exposure to risk. They are satisfied that systems and procedures are in place to mitigate major risks.

**Governance**
Potential for weak strategy and monitoring: In-depth strategic and financial reporting is provided each quarter to the board so it can respond to strategic challenge. Levels of accountability are clearly defined between board, senior management, operational management and frontline. Policies are reviewed every two years and earlier if legislation necessitates. A business continuity policy/ plan is in place.

Skill Base of Board: The board has a quality assurance framework in place to recruit essential skill mix covering, finance, management, business and local knowledge.

**Financial Management**
Fraud: Systems are in place to minimise the risk of fraud. Different levels of responsibilities are in place to maximise control systems.

A risk register is constantly reviewed.

Income/Expenditure: Income and expenditure is analysed on a monthly basis. Contingency is allowed within overall budget with anticipated surpluses to compensate for under performance in other areas. The charity has invested in a central data analysis system that monitors operational performance linking into financial performance. Targets are set and outcomes monitored.

Loss of Public Sector Contracts: The charity is heavily reliant on public sector funding. However, its specialist asset base community has placed it in a good position to access sub contracts with prime providers. Local authority commissioning encourages partnership bids.

**Operational Management**
Under performance with subcontracts impacting contractual targets: The charity has performance management plans. Operational data reports are provided to managers on a weekly basis. Managers hold meetings with staff on a weekly basis and with senior management on a monthly basis.

Employment of Recovering Addicts: The charity employs a high proportion of people in recovery to fulfil its mission – hence the risk of relapse. However systems are in place to support staff through its outsourced HR Team.

Human Resources: The charity outsources its HR to a specialist team. This includes an occupational health unit, 24 hour help line for staff who may suffer from stress and a psychologist who is available for clinical supervision.

**Information Technology**
IT Data Performance Loss: All data is backed up and stored in an external data unit.

Security of Data: ThinkPads are used throughout the organisation with no data stored on individual computers. All data is managed on a network system with individual password access.

Breach of Information Governance: The charity is fully compliant with the NHS information governance toolkit. Information governance is part of staff induction. Staff engage on a refresher course each year.

**Health & Safety**
Fragmented Management of H&S: Health & safety is managed with risk assessments covering buildings, fire, generic project working, lone working and safeguarding. Each service user has an individual risk assessment.

**Environment**
Environmental factors are analysed on a regular basis with strategic planning to meet the challenge of the business environment. Business continuity procedures and plans are in place for unforeseen events.

**Regulated Activity**
The charity works with vulnerable people and is regulated under the Care Quality Commission. Its governance and management is independently inspected on a regular basis and it meets all CQC standards.

## PLANS FOR FUTURE PERIODS

### a. FUTURE DEVELOPMENTS

THOMAS is committed to sustaining an innovative strategy that involves operating within its means while prioritising the development of high-quality services. This approach focuses on resource efficiency, ensuring the charity maximises its potential within existing capabilities. Simultaneously, THOMAS emphasises enhancing programme quality, reflecting a dedication to delivering impactful and effective services. This innovative strategy underscores the importance of striving for excellence and keeping a rigid focus on sustainability in its operations.

Bolton holds strategic importance in our development plans, primarily focusing on boosting bed occupancy rates. Additionally, we aim to expand our spot purchase provision at Witton Bank with increased attention on local authorities across England. Simultaneously, we are dedicated to advancing our Trainee Brief Coaching Programme to create employment opportunities for some trainees. This initiative reflects our commitment to enhancing bed utilisation and empowering our trainees through skill development and employment prospects.

THOMAS is placing a heightened emphasis on its communication strategy, with a specific focus on sharing success stories with the general public. This initiative involves actively and effectively communicating the organisation's achievements, positive outcomes, and impact on various platforms. By showcasing success stories, THOMAS aims to engage and inform the broader community about its meaningful contributions and the positive changes it brings about. This approach not only fosters transparency but also creates a compelling narrative that enhances public awareness and support for THOMAS's mission and initiatives.

## MEMBERS' LIABILITY

The trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

## TRUSTEES' REPORT (continued)
## FOR THE YEAR ENDED 31 MARCH 2023

### TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of T.H.O.M.A.S. (Those on the Margins of a Society) for the purposes of company law) are responsible for preparing the trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

### AUDITORS

The auditors, Smith & Goulding Limited, have indicated their willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

In preparing this report the trustees have taken advantage of the small companies exemption provided by section 419(2) of the Companies Act 2006.

Approved by the trustees on 19-12-2023 and signed on behalf of the board.

J. M. Malowana-Murphy

C. J. Porter

**Trustee** J. M. Malowana-Murphy

**Trustee**

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OPINION

We have audited the financial statements of T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) (the 'charity') for the year ended 31 March 2023 set out on pages 18 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### RESPONSIBILITIES OF TRUSTEES

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### OTHER MATTERS

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
-making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

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

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

### USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Worswick

**Simon Worswick B.A FCA**
**for and on behalf of**
**Smith & Goulding Limited**

Chartered Accountants and Statutory Auditors

21 December 2023

2 Southport Road
Chorley
Lancashire
PR7 1LB

Simon Worswick B.A FCA
for and on behalf of
Smith & Goulding Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | - | 30,805 | 30,805 | *46,100* |
| Charitable activities | 3 | 37,385 | 1,441,150 | 1,478,535 | *1,345,670* |
| Other trading activities | 4 | - | 300 | 300 | *19,938* |
| Investments | 5 | - | 1,028 | 1,028 | - |
| **TOTAL INCOME** | | 37,385 | 1,473,283 | 1,510,668 | *1,411,708* |
| **EXPENDITURE ON:** | | | | | |
| Raising funds | 4 | - | 643 | 643 | *323* |
| Charitable activities | 6,8 | 51,265 | 1,346,153 | 1,397,418 | *1,447,671* |
| **TOTAL EXPENDITURE** | | 51,265 | 1,346,796 | 1,398,061 | *1,447,994* |
| **NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | (13,880) | 126,487 | 112,607 | *(36,286)* |
| **NET MOVEMENT IN FUNDS** | | (13,880) | 126,487 | 112,607 | *(36,286)* |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 214,251 | 1,141,420 | 1,355,671 | *1,391,957* |
| **TOTAL FUNDS CARRIED FORWARD** | | 200,371 | 1,267,907 | 1,468,278 | *1,355,671* |

All activities relate to continuing operations.

The notes on pages 21 to 39 form part of these financial statements.

**T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)**
**(A company limited by guarantee)**
**REGISTERED NUMBER: 5577388**

## BALANCE SHEET
## AS AT 31 MARCH 2023

| | Note | £ | 2023 £ | £ | 2022 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 12 | | **835,275** | | *853,537* |
| **CURRENT ASSETS** | | | | | |
| Debtors | 13 | **162,009** | | *263,198* | |
| Cash at bank and in hand | | **846,570** | | *651,781* | |
| | | **1,008,579** | | *914,979* | |
| **CREDITORS:** amounts falling due within one year | 14 | **(105,876)** | | *(113,615)* | |
| **NET CURRENT ASSETS** | | | **902,703** | | *801,364* |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,737,978** | | *1,654,901* |
| **CREDITORS:** amounts falling due after more than one year | 15 | | **(269,700)** | | *(299,230)* |
| **NET ASSETS** | | | **1,468,278** | | *1,355,671* |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 16 | | **200,371** | | *214,251* |
| Unrestricted funds | 16 | | **1,267,907** | | *1,141,420* |
| **TOTAL FUNDS** | | | **1,468,278** | | *1,355,671* |

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 19-12-2023 and signed on their behalf, by:

J. M. Malowiana-Murphy

**Trustee** J. M. Malowiana-Murphy

C. J. Porter

**Trustee**

The notes on pages 21 to 39 form part of these financial statements.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash provided by/(used in) operating activities | 18 | **230,883** | *(88,869)* |
| **Cash flows from investing activities:** | | | |
| Purchase of tangible fixed assets | | **(36,094)** | *(80,292)* |
| **Net cash used in investing activities** | | **(36,094)** | *(80,292)* |
| **Change in cash and cash equivalents in the year** | | **194,789** | *(169,161)* |
| Cash and cash equivalents brought forward | | **651,781** | *820,942* |
| **Cash and cash equivalents carried forward** | | **846,570** | *651,781* |

The notes on pages 21 to 39 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

## 1. ACCOUNTING POLICIES (continued)

### 1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## 1. ACCOUNTING POLICIES (continued)

### 1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | 2% straight line |
| L/Term Leasehold Property | - | 2% straight line |
| S/Term Leasehold Property | - | 20% straight line |
| Plant & machinery | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Fixtures & fittings | - | 20% straight line |
| Office equipment | - | 20% straight line |
| Medical equipment | - | 20% straight line |

The freehold property is stated at cost less accumulated depreciation. The property has been valued at £475,000 which is below the net book value in the accounts. However, as the Trustees consider that the cost of purchasing and converting a similar property would exceed the current book value of the property, it is not considered necessary to write down the value of the asset on the balance sheet.

## 1. ACCOUNTING POLICIES (continued)

### 1.5 INTEREST RECEIVABLE

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

### 1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

### 1.7 DEBTORS

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

### 1.8 CASH AT BANK AND IN HAND

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

### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 1.10 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.11 PENSIONS

Contributions to the charity's defined contribution pension scheme are charged as expenditure in the year in which they become payable.

## 1. ACCOUNTING POLICIES (continued)

### 1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### 1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:
- Depreciation

## 2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| Donations including Gift Aid | - | 18,845 | 18,845 | *23,587* |
| Sisters of St Joseph | - | 5,000 | 5,000 | *-* |
| Albert Hunt SP | - | - | - | *5,500* |
| Charles Plater Trust | - | - | - | *4,700* |
| Give As You Live Ltd | - | 4,960 | 4,960 | *-* |
| The Asda Foundation | - | 1,000 | 1,000 | *-* |
| Isherwood & Hose | - | - | - | *3,188* |
| Napthens LLP | - | - | - | *1,000* |
| Trustee of Trelix Charitable Trust | - | 1,000 | 1,000 | *-* |
| The Dowager Countess Eleanor Peel Trust | - | - | - | *5,000* |
| Mayors Charity | - | - | - | *1,000* |
| Groundwork UK | - | - | - | *1,125* |
| Pennine Community Credit Union Ltd | - | - | - | *1,000* |
| Total donations and legacies | - | 30,805 | 30,805 | *46,100* |
| *Total 2022* | - | *46,100* | *46,100* | |

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| Contracts for charitable services | 37,385 | 1,441,150 | 1,478,535 | *1,345,670* |
| *Total 2022* | *218,011* | *1,127,659* | *1,345,670* | |

## CONTRACTS FOR CHARITABLE SERVICES

| | Restricted Funds 2023 £ | Unrestricted Funds 2023 £ | Total Funds 2023 £ | *Total Funds 2022 £* |
|---|---|---|---|---|
| BwD BC - Supporting People - GU | - | **24,033** | **24,033** | *26,218* |
| BwD BC Social Fund - Emergency Food Provision | - | **22,000** | **22,000** | *20,000* |
| BWD BC - Housing Support Grant | - | - | - | *11,000* |
| Service User Housing Benefits - Galligreaves Unit | - | **68,096** | **68,096** | *69,848* |
| BWD BC - Infection Control | - | - | - | *16,122* |
| Service User General Benefits - Witton Bank | - | **72,748** | **72,748** | *57,682* |
| BWD SSMTRG | - | **57,000** | **57,000** | *57,000* |
| Service User Housing Benefits - Salford | - | **232,731** | **232,731** | *230,488* |
| BST SSMTRG | - | **186,000** | **186,000** | *36,990* |
| Servicer User Housing Benefits - BwD Gateways/Oozehead Lane | - | **17,272** | **17,272** | *26,385* |
| Hyndburn Borough/ Salford City Council - COVID 19 | - | - | - | *10,450* |
| Local Authority Funding for Witton Bank Rehab and Spot Purchase | - | **284,980** | **284,980** | *198,841* |
| Greater Manchester Mental Health NHS - Salford | - | **465,829** | **465,829** | *358,332* |
| CGL BWD - Inspire | - | - | - | *126,408* |
| Selnet Ltd | **27,374** | - | **27,374** | *36,915* |
| Zocharius Charitable Trust | - | - | - | *7,500* |
| Other small grants | - | **1,461** | **1,461** | *1,000* |
| DWF Charitable Fund | - | - | - | *4,500* |
| Trustees of 1961 | - | **3,000** | **3,000** | - |
| UCLAN | - | **6,000** | **6,000** | - |
| HMRC JRS | - | - | - | *9,804* |
| The Dowager Countess Elanor Peel Trust | - | - | - | *5,000* |
| DWP Kickstart | **10,011** | - | **10,011** | *35,187* |
| Total | **37,385** | **1,441,150** | **1,478,535** | *1,345,670* |

## 4. CHARITY TRADING INCOME

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| **CHARITY TRADING INCOME** | | | | |
| Income from Charity Shop | - | 300 | 300 | *19,938* |
| | - | 300 | 300 | *19,938* |
| **FUNDRAISING TRADING EXPENSES** | | | | |
| Charity Shop trading expenses | - | 643 | 643 | *323* |
| | - | 643 | 643 | *323* |
| Net (expenditure)/income from charity trading income | - | (343) | (343) | *19,615* |

In 2023 and 2022, all trading income and trading expenses were from unrestricted funds.

## 5. INVESTMENT INCOME

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| Investment income | - | 1,028 | 1,028 | - |

## 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| Core (including SSMTRG/ Grants ) | **16,056** | **233,579** | **249,635** | *141,541* |
| Galligreaves Unit | **-** | **68,837** | **68,837** | *54,457* |
| Witton Bank SS Rehab | **-** | **345,841** | **345,841** | *315,686* |
| Salford Housing and Recovery Projects | **-** | **637,321** | **637,321** | *598,568* |
| CRI - East and North Lancashire | **-** | **-** | **-** | *69,197* |
| BwD Gateways/Oozehead | **-** | **17,656** | **17,656** | *13,455* |
| Social Enterprise Projects (including Big Lottery) | **-** | **-** | **-** | *132,248* |
| Selnet Ltd - BBO Funding | **35,209** | **-** | **35,209** | *70,784* |
| Society of the Holy Child Jesus | **-** | **-** | **-** | *14,386* |
| | **51,265** | **1,303,234** | **1,354,499** | *1,410,322* |
| *Total 2022* | *-* | *1,410,322* | *1,410,322* | |

## 7. SUPPORT COSTS

| | THOMAS £ | Total 2023 £ | *Total 2022 £* |
|---|---|---|---|
| Core storage rent and utility costs | **4,794** | **4,794** | *4,893* |
| Wages and salaries | **36,750** | **36,750** | *40,666* |
| National insurance | **3,184** | **3,184** | *3,231* |
| Pension cost | **791** | **791** | *934* |
| | **45,519** | **45,519** | *49,724* |
| *Total 2022* | *49,724* | *49,724* | |

## 8. GOVERNANCE COSTS

| | Restricted funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | *Total funds 2022 £* |
|---|---|---|---|---|
| Accountancy fees | - | **6,052** | **6,052** | *3,891* |
| Auditors' remuneration | - | **4,000** | **4,000** | *2,960* |
| Legal and professional fees | - | **11,160** | **11,160** | *11,926* |
| Loan interest | - | **19,757** | **19,757** | *14,699* |
| Bank charges and loan arrangement fees | - | **1,950** | **1,950** | *3,873* |
| | **-** | **42,919** | **42,919** | *37,349* |

## 9. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2023 £ | *2022 £* |
|---|---|---|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | **54,356** | *47,137* |
| Auditors' remuneration - audit | **4,000** | *2,960* |
| Accountancy fees | **6,052** | *3,890* |
| Operating lease rentals | **122,855** | *121,984* |

During the year, no trustees received any remuneration (2022 - £NIL).
During the year, no trustees received any benefits in kind (2022 - £NIL).
During the year, no trustees received any reimbursement of expenses (2022 - £NIL).

**Operating Leases**

| | 2023 £ | *2022 £* |
|---|---|---|
| Land and buildings | **122,855** | *121,984* |
| Office equipment | **-** | *-* |
| Total | **121,984** | *121,894* |

## 10. DIRECT COSTS (Excl Support and Governance costs)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Building and general office costs | **314,779** | *310,996* |
| Printing, postage and stationery | **5,743** | *6,839* |
| Travel and volunteer expenses | **5,366** | *8,340* |
| Staff training and resources | **9,144** | *4,670* |
| Sessional worker costs | **1,247** | *1,280* |
| Client living expenses | **130,635** | *108,010* |
| Staff recruitment | **1,770** | *430* |
| Social enterprise costs | **979** | *15,367* |
| Wages and salaries | **698,250** | *772,655* |
| Employers national insurance | **60,489** | *61,394* |
| Employers pension costs | **15,019** | *17,746* |
| Depreciation | **54,356** | *47,137* |
| Legal and professional | **11,203** | *5,734* |
| | **1,308,980** | *1,360,598* |

## 11. STAFF COSTS

Staff costs were as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **735,000** | *813,321* |
| Social security costs | **63,673** | *64,625* |
| Other pension costs | **15,810** | *18,680* |
| | **814,483** | *896,626* |

The average number of persons employed by the charity during the year was as follows:

| | 2023 | 2022 |
|---|---|---|
| | No. | No. |
| Project personnel | **27** | *33* |
| Charity administration (incl projects) | **5** | *5* |
| | **32** | *38* |

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by management and key personnel amounted to £103,871 (2022 - £80,071).

## 12. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Other fixed assets £ | Total £ |
|---|---|---|---|
| **COST** | | | |
| At 1 April 2022 | **1,240,843** | **169,692** | **1,410,535** |
| Additions | **6,339** | **29,755** | **36,094** |
| At 31 March 2023 | **1,247,182** | **199,447** | **1,446,629** |
| **DEPRECIATION** | | | |
| At 1 April 2022 | **402,435** | **154,563** | **556,998** |
| Charge for the year | **42,728** | **11,628** | **54,356** |
| At 31 March 2023 | **445,163** | **166,191** | **611,354** |
| **NET BOOK VALUE** | | | |
| At 31 March 2023 | **802,019** | **33,256** | **835,275** |
| *At 31 March 2022* | *838,408* | *15,129* | *853,537* |

At 31 March 2023, included within the net book value of land and buildings is £626,228 (2022 - £644,888) relating to freehold land and buildings, £118,200 (2022 - £120,339) relating to long term leasehold land and buildings and £57,593 (2022 - £73,182) relating to short term leasehold land and buildings.

The buildings include Witton Bank, Spring Lane which has a security held against this building by the Unity Bank with a second legal charge being held by Futurebuilders. The Net book value of this secured property is £626,228.

## 13. DEBTORS

| | 2023 £ | *2022 £* |
|---|---|---|
| Trade debtors | **55,393** | *125,280* |
| Other debtors | **23,164** | *22,727* |
| Prepayments and accrued income | **83,452** | *115,191* |
| | **162,009** | *263,198* |

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank loan | **17,391** | *17,391* |
| Other loan | **12,792** | *12,792* |
| Trade creditors | **39,159** | *42,306* |
| Other taxation and social security | **16,454** | *18,198* |
| Other creditors | **4,522** | *4,771* |
| Accruals and deferred income | **15,558** | *18,157* |
| | **105,876** | *113,615* |

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

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank loan | **63,864** | *81,335* |
| Other loan | **205,836** | *217,895* |
| | **269,700** | *299,230* |

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Repayable by instalments | **148,968** | *178,498* |

The bank loan is from Unity Trust Bank plc and £81,255 is still owing at 31 March 2023 (total loan repayable over 25 years at a rate of interest of 2.25% over the Bank's Base Rate). The other loan is for £218,628 from Futurebuilders England and is repayable over 25 years at a rate of interest of 3% over the Bank's Base Rate.

The borrowings from Unity Trust Bank are secured by a first legal charge on Witton Bank, Spring Lane, Blackburn. Futurebuilders have the second legal charge on the property. The amount of the secured liability is £363,506.

## 16. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|---|---|---|---|---|
| **UNRESTRICTED FUNDS** | | | | |
| General Funds - all funds | **1,141,420** | **1,473,283** | **(1,346,796)** | **1,267,907** |

### RESTRICTED FUNDS

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|---|---|---|---|---|
| Futurebuilders - capital grant | **83,205** | **-** | **(2,800)** | **80,405** |
| BwD PCT - capital grant | **1,938** | **-** | **(240)** | **1,698** |
| BwD DAAT - capital grant | **286** | **-** | **(60)** | **226** |
| Selnet Ltd | **49** | **27,374** | **(35,209)** | **(7,786)** |
| Public Health England - capital grant - new building | **128,773** | **-** | **(2,945)** | **125,828** |
| DWP Kickstart | **-** | **10,011** | **(10,011)** | **-** |
| | **214,251** | **37,385** | **(51,265)** | **200,371** |
| Total of funds | **1,355,671** | **1,510,668** | **(1,398,061)** | **1,468,278** |

### STATEMENT OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2021* £ | *Income* £ | *Expenditure* £ | *Balance at 31 March 2022* £ |
|---|---|---|---|---|
| General Funds - all funds | *1,028,685* | *1,322,822* | *(1,210,087)* | *1,141,420* |

## 16. STATEMENT OF FUNDS (continued)

### RESTRICTED FUNDS

| | *Balance at 1 April 2021* £ | *Income* £ | *Expenditure* £ | *Balance at 31 March 2022* £ |
|---|---|---|---|---|
| Futurebuilders - capital grant | *86,005* | - | *(2,800)* | *83,205* |
| BwD PCT - capital grant | *2,178* | - | *(240)* | *1,938* |
| BwD DAAT - capital grant | *346* | - | *(60)* | *286* |
| Zochorius Charitable Trust | - | *7,500* | *(7,500)* | - |
| Big Lottery Fund - Social Enterprise | *66,459* | - | *(66,459)* | - |
| Selnet Ltd | *33,471* | *36,915* | *(70,337)* | *49* |
| Public Health England - capital grant - new building | *128,773* | - | - | *128,773* |
| The Society of the Holy Child Jesus | *13,492* | - | *(13,492)* | - |
| DWF Charitable Foundation | - | *4,500* | *(4,500)* | - |
| Big Lottery Fund - Covid 19 | *10,050* | - | *(10,050)* | - |
| Big Lottery Fund - Main Grants Covid | *10,000* | - | *(10,000)* | - |
| Albert Gubay Charitable Trust | *12,498* | - | *(12,498)* | - |
| The Dowager Countess Elanor Peel Trust | - | *5,000* | *(5,000)* | - |
| DWP Kickstart | - | *23,971* | *(23,971)* | - |
| BWD Borough Council - Housing Support Grant | - | *11,000* | *(11,000)* | - |
| | *363,272* | *88,886* | *(237,907)* | *214,251* |

**Restricted Funds:**

Restricted funds to be carried forward into the next financial year are;

Futurebuilders - This fund is to be utilised in respect of capital works carried out to the Witton Bank property.

BWD PCT - To be spent on capital works at Witton Bank and 181 - 192 Dickson Close properties.

BWD DAAT - This is to be utilised for improvements made to previous rental properties within Blackburn and Darwen.

Public Health England new building grant - This fund has been utilised in purchasing a new property in the Salford area.

Selnet Ltd - This fund is for Building Better Opportunities and will be fully utilised over the next few years.

Big Lottery Fund – This fund is for the 'THOMAS Works' project.

The Society for the Holy Child Jesus - This is to be utilised for staff costs.

The Big Lottery Fund - COVID 19 - To fund staff and other costs throughout the COVID-19 pandemic.

The Big Lottery Fund - Main Grants COVID - A continuation to the fund above.

Albert Gubay Charitable Trust - This fund is to be spent on building works/ furnishings across the properties.

DWP Kickstart - This funding is to cover the salaries of young people to give them experience to get into employment.

Community Foundation - This was a small grant towards the initial response to COVID-19.

**SUMMARY OF FUNDS - CURRENT YEAR**

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|---|---|---|---|---|
| General funds | 1,141,420 | 1,473,283 | (1,346,796) | 1,267,907 |
| Restricted funds | 214,251 | 37,385 | (51,265) | 200,371 |
| | 1,355,671 | 1,510,668 | (1,398,061) | 1,468,278 |

## 16. STATEMENT OF FUNDS (continued)

### SUMMARY OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2021* £ | *Income* £ | *Expenditure* £ | *Balance at 31 March 2022* £ |
|---|---|---|---|---|
| General funds | *1,028,685* | *1,322,822* | *(1,210,087)* | *1,141,420* |
| Restricted funds | *363,272* | *88,886* | *(237,907)* | *214,251* |
| | *1,391,957* | *1,411,708* | *(1,447,994)* | *1,355,671* |

## 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | **Restricted funds 2023** £ | **Unrestricted funds 2023** £ | **Total funds 2023** £ |
|---|---|---|---|
| Tangible fixed assets | **208,157** | **627,118** | **835,275** |
| Current assets | **(7,786)** | **1,016,365** | **1,008,579** |
| Creditors due within one year | **-** | **(105,876)** | **(105,876)** |
| Creditors due in more than one year | **-** | **(269,700)** | **(269,700)** |
| | **200,371** | **1,267,907** | **1,468,278** |

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | *Restricted funds 2022* £ | *Unrestricted funds 2022* £ | *Total funds 2022* £ |
|---|---|---|---|
| Tangible fixed assets | - | *853,537* | *853,537* |
| Current assets | *214,251* | *700,728* | *914,979* |
| Creditors due within one year | - | *(113,615)* | *(113,615)* |
| Creditors due in more than one year | - | *(299,230)* | *(299,230)* |
| | *214,251* | *1,141,420* | *1,355,671* |

## 18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|---|---|---|
| Net income/(expenditure) for the year (as per Statement of Financial Activities) | **112,607** | *(36,286)* |
| **Adjustment for:** | | |
| Depreciation charges | **54,356** | *47,137* |
| Decrease/(increase) in debtors | **101,189** | *(77,616)* |
| Decrease in creditors | **(37,269)** | *(22,104)* |
| **Net cash provided by/(used in) operating activities** | **230,883** | *(88,869)* |

## 19. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2023 £ | 2022 £ |
|---|---|---|
| Cash in hand | **846,570** | *651,781* |
| Total | **846,570** | *651,781* |

## 20. PENSION COMMITMENTS

Payments were made to personal pension plans for the year ended 31 March 2023. Outstanding monies due at 31 March 2023 amounted to £2,999 (2022 - £3,528) and are included in creditors.

## 21. OPERATING LEASE COMMITMENTS

At 31 March 2023 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

| | Land and buildings | | Other | |
|---|---|---|---|---|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| **AMOUNTS PAYABLE:** | | | | |
| Within 1 year | **30,714** | *30,496* | **-** | *-* |

## 22. RELATED PARTY TRANSACTIONS

No related party transactions occurred in the years ended 31 March 2023 and 31 March 2022.

## 23. CONTROLLING PARTY

The charity is controlled by the Trustees.

## 24. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company was incorporated in England and the registered office is as follows:-

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)**

England & Wales - Charity number 1114489

# Accounts

Registered number: 5577388
Charity number: 1114489

# T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

(A company limited by guarantee)

AUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)

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# REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

**Trustees**

J M Malowana-Murphy
C J Porter
J Skaria
L Flood
M Fullalove
D Jameson
N Malley

**Company registered number**

5577388

**Charity registered number**

1114489

**Registered office**

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**Company secretary**

Reverend J P McCartney

**Chief executive officer**

Reverend J P McCartney

**Independent auditors**

Smith & Goulding Limited
Chartered Accountants and Statutory Auditors
2 Southport Road
Chorley
Lancashire
PR7 1LB

**Bankers**

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

**Advisers (continued)**

**Solicitors**

Farleys Solicitors
Hurstwood Court
Dutton's Way
Shadsworth Business Park
Blackburn
BB1 2QR

**Accountancy Services**

CW Accountants Ltd
3.0 Brotherston Drive
Blackburn
Lancashire
BB2 4FJ

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report together with the audited financial statements of the charity T.H.O.M.A.S. (Those on the Margins of a Society) (the charity) for the year ended 31st March 2022. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## OBJECTIVES AND ACTIVITIES

### a. POLICIES AND OBJECTIVES

T.H.O.M.A.S. is a charity which provides rehabilitation, resettlement and accommodation for people suffering from drug and alcohol abuse. It also educates the public about the effects of drug and alcohol abuse, housing need and social exclusion. In addition it provides a drop-in centre for people in need. Its objectives are protected with a comprehensive set of policies and procedures.

### b. STRATEGIES FOR ACHIEVING OBJECTIVES

As part of its recovery services, THOMAS provides psychosocial programmes that include various activities to assist individuals in dealing with their addictions to drugs and alcohol. It works with an integrated strategy of psychosocial interventions across Blackburn with Darwen, Salford, and Bolton, which includes:

- Supporting the development of conveniently located recovery housing with a strong sense of living in a community
- Providing residential rehabilitation, including a female rehab unit
- Providing a dynamic group programme in each of its locations that promotes the 12 step philosophy
- Delivering a range of holistic recovery-focused services, which includes supporting people through detox and residential rehabilitation into the community-based provision of support
- Offering drop-in facilities, assertive outreach recovery programmes incorporating cognitive, social and interpersonal approaches and support with wider issues associated with addiction
- Providing a hot meal each day for people who are in need in Blackburn
- Working as a subcontractor in the delivery of recovery programmes with GMMH (Greater Manchester Mental Health Trust Foundation) and CGL (Change, Grow, Live)
- Providing accommodation and move-on accommodation support
- Offering volunteer placements to gain skills and grow in confidence
- Providing a furniture restoration project that also includes a sales shop
- Preparing people for employment.

The charity has good cognitive and reflective spiritual programmes that cultivate a strong positive culture of sustainable recovery.
Furthermore, its peer-led processes are key to its effective ways of cultivating engagement. The charity's specialist culture promotes observational learning in that people can change negative behaviours through living together and learning from each other. Asset-based community resources are critical to its overarching strategy. It provides sustainable growth and the development of asset-based communities on the strengths and potentials of its recovery communities.

Equally, the charity works as a subcontractor within a broader context of local authority commissioning of integrated services. Furthermore, the charity links in with mental health services, homeless services, vulnerable adults, and children services to support the needs of the charity's service users.

Complex, vulnerable adults can be signposted or supported in partnership with other specialist services in an integrated care and social support strategy

**c. VOLUNTEERS**

The charity is grateful for the unstinting efforts of its volunteers involved in service provision and working in the charity shop. The number of volunteer hours provided during the year is estimated to have been over 6,060. If this is conservatively valued at £9.53 an hour, the volunteer effort amounts to over £57,751. This was higher than the previous year as volunteers slowly started to return in the post-pandemic period.

Equally, the charity is thankful to Salford Diocese for the free use of St Anne's House, Blackburn, St Boniface's Presbytery, Salford, and St Ethelbert' Bolton.

## PUBLIC BENEFIT

Our main activities and who we try to help are described below. The trustees have given due regard to the guidance published by the Charity Commission and are confident that the activities of the charity comply with Section 17(5) of the Charities Act 2011. All our charitable activities focus on the prevention and treatment of drug and alcohol abuse and are undertaken to further our charitable purposes for the public benefit.

## ACHIEVEMENTS AND PERFORMANCE

### a. REVIEW OF ACTIVITIES

Overall THOMAS worked with 600 people in its different projects with 101 new starts in its residential projects, including its Achieve partnership; the remainder was in its drop-in-centre and the Inspire partnership.

Drop-in Centre Blackburn

- 200 people accessed the service
- 12,272 meal were provided
- Food was given out 7 days a week
- The project supported some of the most vulnerable people in the community
- The majority of people presenting had problems ranging from mental health, drug/alcohol addictions, experiences of living in hostels, homelessness and rough sleeping or sofa surfing.

THOMAS Data Monitoring showed that we had the following completed programme discharges within its residential projects.

- 46% Witton Bank Blackburn (Male House)
- 100 % Galligreaves Blackburn (Male)
- 49% St Boniface Salford Stage- 1 Male
- 33% Female House Salford Stage 1
- 71% Stage-2 Male House Salford
- 100% Stage -2 Female House Salford

Age range in residential projects (Blackburn – Stage 1)

| | |
|---|---|
| 18 – 24 | 3% |
| 25 – 29 | 10% |
| 30 - 39 | 45% |
| 40 – 49 | 30% |
| 50-59 | 7% |
| 60-65 | 5% |
| 65+ | 0% |

Age range in residential projects (Blackburn – Stage 2 )
18 – 24 0%
25 – 29 0%
30 - 39 76%
40 – 49 12%
50-59 12%
60-65 0%
65+ 0%

Age range in residential projects (Salford – Stage 1)
18 – 24 7%
25 – 29 2%
30 - 39 47%
40 – 49 28%
50-59 16%
60-65 0%
65+ 0%

Age range in residential projects (Salford – Stage 2)
18 – 24 6%
25 – 29 6%
30 - 39 27%
40 – 49 48%
50-59 13%
60-65 0%
65+ 0%

**Inspire Blackburn**

THOMAS delivered CGL Foundations of Recovery, a community based programme to around 300 people through its subcontract with CGL.

THOMAS' subcontract ended at the close of March 2002 as CGL lost the prime contract in the re-tender process.

**Mutual Aid and Peer Support**

In every aspect of THOMAS, mutual aid and peer support continued to cultivate an environment of transformational change. Our service users became recovery ambassadors for each other.

**Witton Bank Blackburn**

Adults with a history of drug and alcohol dependency can receive rehabilitation at Witton Bank. The service offers 24-hour support and accommodation for up to 21 people. The rehabilitation programme lasts 26 weeks. As part of the project, men address their drug and alcohol problems and develop strategies for dealing with their addictive behaviour.

During the year, there were 49 admissions to the project. The majority of residents came from Blackburn with Darwen who have a block contract with the project. In addition some residents came from different parts of the North West and North East

Each resident has an individual care/recovery plan with clear goals and review of targets.

**Supported Housing Blackburn**

10 people moved into our supported housing scheme consisting of 12 flats and were supported into volunteering, education, and some into employment. Each service user was case managed with a support plan combining clear goals and a review of targets. The project maintained a total abstinence environment.

**Oozehead House Blackburn**

The Oozehead House Blackburn provided a stable community for up to 3 people throughout the year.

**Salford Stage 1 Houses**

Provision of specialised, abstinent residential accommodation continued incorporating structured, evidence-based daily group work and 1:1 mentoring continued in Salford with 38 people admitted to the project. In addition to existing clients from the previous year, 23 males were admitted to St Boniface House and 15 women to the Female House. A variety of recovery groups were delivered. Groups ranged from conflict resolution providing strategies on how to deal with triggers that prompt people into addiction, recovery mapping exercises, strategies for remaining abstinence and host of other psychosocial interventions that provided improved self- knowledge and cohesive group responses of renewed determination in tackling the problems of addiction.

**Salford Stage 2 Houses**

In addition to clients from the previous year 9 people moved into our stage 2 housing, living in community and engaging in volunteering, training and education. The on-going process of cognitive change was reinforced with mutual aid and support. The stage 2 project continued the work of stage 1 and encouraged residents to constantly examine behaviour cultivating pro-social engagement and on-going learning.

**Manchester Road House – Salford**

Manchester Road house was available to work with clients.

**Bolton**

The Criminal Justice lead, funded by the Universal Fund, has continued to successfully network with local probation services resulting in referral and admissions.
Community Engagement continues in the Bolton area with regular support provided each week.

**Criminal Justice Project**

The criminal Justice project got off to a good start with around 160 attendances in groups delivered at the hostels.

**Furniture Restoration - Big Lottery Reaching Communities**

The Furniture restoration project worked with several graduates of the THOMAS rehab they volunteered their time and gained new skills. The project picked up furniture throughout Manchester and Lancashire and worked skillfully with the furniture restoration.

Unfortunately, in the final quarter of the financial year the project had to wind down as its 3- year funding ended at the close of March 2022.

**Swinton Precinct Shop (Salford)**

The project exhibited some fantastic furniture from the restoration team. However, after the COVID pandemic,

footfall never really recovered. As part of the Lottery funded scheme, this project had to wind down and close in March 2022.

**Accrington Shop Arndale Precinct**

Several graduates of the THOMAS rehab worked on the project that also exhibited restored furniture from the restoration team. The charity has retained the shop as it moves into the new financial year.

**Building Better Opportunities Changing Futures Project**

THOMAS is a delivery partner in the Changing Futures project in Lancashire. Changing Futures is part of the nationwide Building Better Opportunities programme, funded by the European Social Fund (ESF) and The National Lottery Community Fund. Building Better Opportunities aims to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The Changing Futures project is focused on supporting people facing multiple and complex barriers to employment. All participants are unemployed or economically inactive and are at high risk of social exclusion.

**Case Studies of the Year**

**Case Study 1**

The resident grew up in a dysfunctional home. There was a lot of drinking and use of illicit substances in his family, both of which were excessive. He attended school regularly as he saw it as a way to escape the domestic violence he witnessed at home. His brothers and sisters witnessed all of this, including a lack of food in the house. When he was just 7 years old, his mother died from a prescription drug overdose, and by the time he was 12, his father died from an alcohol-related illness.

This set the resident on a path of destructive behaviour. He was taken into care by the local authority where he went through some abuse from staff and this then had an impact on his later life. He soon started to commit crimes and take substances, which led to him serving time in prison on numerous occasions. The lack of support available to him, particularly in his teenage years and early twenties, meant that his needs escalated and he became entrenched. This led to a 30-year cycle of being in out of prison and substance misuse fuelled by his lack of trust of authority. His addiction affected all aspects of his life. His money was used to purchase substances, meaning that he did not eat well. It also affected his mental health; at times, he experienced suicidal thoughts, and severe anxiety. He suffered with dreadful leg ulcers from his injecting use; for months, left untreated causing him great pain.

He went through many hospital admissions for overdoses and blood borne infections and nearly took his life on a couple of occasions. He had an inability maintain a tenancy. Due to spending money on substances, he could never keep a tenancy; this meant he would be in and out of the hostel system. He spent a number of years rough sleeping. One of the main issues he faced was where to 'find' help. He struggled to access services due to his substance misuse. This left him with very few options, and enabled his complex needs to continue untreated for many years. The THOMAS criminal justice project worker referred him to rehab.
He started to change his way of thinking and received help accessing services. He started attending the weekly "motivational change group" in the hostels, He was encouraged to admit and accept that he had an addiction to substances. This enabled him to start dealing with his addiction, for the first time in nearly 40 years. He secured a place in the rehab in a bed funded for by Blackburn with Darwen Borough Council. THOMAS worked collaboratively with CGL to detox him from methadone while he was in rehab.

He successfully completed the residential 26 – week programme and has moved on to the Stage - 2 project of independent living. He continues to make outstanding progress.

**Case Study 2**

This female first started using cannabis in her early teens with school friends. Her parents separated when she was 11, and she recalls witnessing many violent incidents between them before this. She initially lived with her Mother but then moved in with her Father. Her Father had been violent towards her as a younger child, and she reports feeling unsettled and like an outsider at home.

She moved out of home at the age of 16 years; by this time, she was regularly taking Ecstasy and abusing prescription medication. She had several short-term unskilled jobs before becoming friends with a known drug user who introduced her to Crack Cocaine.

This resident confirms that she has been both the victim and perpetrator of domestic abuse in several relationships. As a result of her drug and alcohol misuse, she struggled to control her temper. In one of these relationships, she met a man who introduced her to heroin and crack cocaine.

Thanks to THOMAS, she is rebuilding her life and has a lot of hope for the future.

**Case Study 3**

I was in a vicious cycle of addiction. I had lost my partner and son due to using drugs and ended up in the hostels around Blackburn. I felt trapped and could not even pay my service charge to the hostel. A Project Worker from THOMAS came and started doing groups in the hostel. I did not want to engage at first, but he treated me like a human being, something I had not felt for some time. I got hope that day and started thinking about change. I wondered if there was a way out now for me. I asked him for help. I plucked up the courage and went into THOMAS. I was scared at first and thought it would not work for me. The staff there believed in me, and I felt safe and supported; thanks to THOMAS, my life started to change. I started seeing my son again, and my ex-partner started talking to me. I left THOMAS and carried on practicing what I had learned. I am now back with my partner and son; I am still drug-free, and just got a part-time job. I have hope for the future. I want to say a massive thank you to the staff at THOMAS.

I cannot believe how much my life has changed. I was living a nightmare in a hostel drinking myself to death. Even though my brother had been in THOMAS a few years ago, I had never thought of rehab. Desperate, I reluctantly came into THOMAS. The best thing I have ever done. I feel at peace now.

**Buildings**:

St Anne's House Blackburn
- Renovation work was completed at St Anne's House Blackburn

St Boniface House Salford
- New flooring and carpets were fitted at St Boniface House Salford

Case Management System

- A new sophisticated electronic case management system was introduced across all services

**b. INVESTMENT POLICY AND PERFORMANCE**

The trustees retain funds in an interest bearing account and take advantage of the interest received albeit currently at low rates.

## FINANCIAL REVIEW

### a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

### b. RESERVES POLICY

The unrestricted general fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The Trustees are aiming to hold free reserves of six months of the operating expenditure of the charity. The Trustees have examined the requirement to maintain free reserves and have concluded that the most appropriate level is six months of operational expenditure. This has not yet been achieved, although reserves are increasing to meet this requirement. At 31 March 2022, the charity had total funds of £1,355,671 of which £1,141,420 represented unrestricted funds.

### c. FINANCIAL RESULTS FOR THE YEAR

The charitable company had total incoming resources of £1,411,708 for the year ended 31 March 2022 compared to £1,679,662 in the previous year. The decrease is mainly due to COVID-19 grants which had been received in the previous year. Resources expended to 31 March 2022 amounted to £1,447,994 (2021 - £1,353,932). This has resulted in a deficit for the year of £36,286 (2021 - Surplus of £325,730). Funds brought forward from previous years amounts to £1,391,957, which, together with current funds, total £1,355,671 to carry forward to 2022/23. These funds to carry forward include £214,251 of restricted funds.

### d. PRINCIPAL FUNDING

Principal funding is provided by contracts with Blackburn with Darwen, spot purchase contracts via social care funding, Supporting People, subcontracts with Greater Manchester Mental Health NHS Foundation Trust (GMMH) Change, Growth, Life (CGL), housing benefits. The charity is also grateful for donations from sponsors.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### a. CONSTITUTION

The charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 September 2005.

The charity is constituted under a Memorandum of Association dated 28 September 2005 and is a registered charity number 1114489.

The charity has a Code of Governance that identifies its values and works within the remit of its Memorandum and Articles of Association.

## b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Trustees continually look to bring onto the board new people who reflect the diversity of the charity's targeted beneficiaries, as well as an understanding of the organisation's business needs.

## c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A comprehensive induction and training policy for new trustees is now implemented. This is designed to give the strategic board a greater insight in to operational activity that can influence their strategic thinking. All new trustees undergo an induction period, providing them with an opportunity to understand different aspects of the company. Specific training is identified between the individual trustee and chair of the board.

## d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

THOMAS consists of a board of trustees who are responsible for the strategic direction and overall performance of the charity. They meet at least four times a year to review quarterly financial and operational performance and the monitoring of the strategic plan. The day to day management of the charity is handed down to a professional management team. The chief executive leads the senior management team and reports directly to the board. The senior management team has expertise in business strategy, financial management and the operational objectives of the charity. In addition an external financial advisor feeds into the senior management team and also reports to the board. They set targets and monitor outputs. Operational managers' and the senior finance officer report to the chief executive who chairs a monthly meeting that monitors: outputs, targets, health & safety, safeguarding, human resources, data collection and business development. A sub-committee of the senior management team exists that monitors financial management and the senior finance officer reports directly to the chief executive and external financial advisor who both report directly to the board of directors/trustees.

## e. RISK MANAGEMENT

The Trustees have a risk register that is active and ongoing to monitor exposure to risk. They are satisfied that systems and procedures are in place to mitigate major risks.

**Governance**
Potential for weak strategy and monitoring: In-depth strategic and financial reporting is provided each quarter to the board so it can respond to strategic challenge. Levels of accountability are clearly defined between board, senior management, operational management and frontline. Policies are reviewed every two years and earlier if legislation necessitates. A business continuity policy/ plan is in place.

Skill Base of Board: The board has a quality assurance framework in place to recruit essential skill mix covering, finance, management, business and local knowledge.

**e. RISK MANAGEMENT - continued**

**Financial Management**
Fraud: Systems are in place to minimise the risk of fraud. Different levels of responsibilities are in place to maximise control systems.

A risk register is constantly reviewed.

Income/Expenditure: Income and expenditure is analysed on a monthly basis. Contingency is allowed within overall budget with anticipated surpluses to compensate for under performance in other areas. The charity has invested in a central data analysis system that monitors operational performance linking into financial performance. Targets are set and outcomes monitored.

Loss of Public Sector Contracts: The charity is heavily reliant on public sector funding. However, its specialist asset base community has placed it in a good position to access sub contracts with prime providers. Local authority commissioning encourages partnership bids.

**Operational Management**
Under performance with subcontracts impacting contractual targets: The charity has performance management plans. Operational data reports are provided to managers on a weekly basis. Managers hold meetings with staff on a weekly basis and with senior management on a monthly basis.

Employment of Recovering Addicts: The charity employs a high proportion of people in recovery to fulfil its mission – hence the risk of relapse. However systems are in place to support staff through its outsourced HR Team.

Human Resources: The charity outsources its HR to a specialist team. This includes an occupational health unit, 24 hour help line for staff who may suffer from stress and a psychologist who is available for clinical supervision.

**Information Technology**
IT Data Performance Loss: All data is backed up and stored in an external data unit.

Security of Data: ThinkPads are used throughout the organisation with no data stored on individual computers. All data is managed on a network system with individual password access.

Breach of Information Governance: The charity is fully compliant with the NHS information governance toolkit. Information governance is part of staff induction. Staff engage on a refresher course each year.

**Health & Safety**
Fragmented Management of H&S: Health & safety is managed with risk assessments covering buildings, fire, generic project working, lone working and safeguarding. Each service user has an individual risk assessment.

**Environment**
Environmental factors are analysed on a regular basis with strategic planning to meet the challenge of the business environment. Business continuity procedures and plans are in place for unforeseen events.

**Regulated Activity**
The charity works with vulnerable people and is regulated under the Care Quality Commission. Its governance and management is independently inspected on a regular basis and it meets all CQC standards.

## PLANS FOR FUTURE PERIODS

### a. FUTURE DEVELOPMENTS

Criminal Justice development - linking THOMAS with the prison system is the key priority for the coming year with the development of an on-going innovative strategy to respond to the challenges within the drug & alcohol treatment sector.

## MEMBERS' LIABILITY

The trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

## TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of T.H.O.M.A.S. (Those on the Margins of a Society) for the purposes of company law) are responsible for preparing the trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

## AUDITORS

The auditors, Smith & Goulding Limited, have indicated their willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

In preparing this report the trustees have taken advantage of the small companies exemption provided by section 419(2) of the Companies Act 2006.

Approved by the trustees on 3 November 2022 and signed on behalf of the board.

**Trustee** J. M. Malowana-Murphy

JM MALOWANA-MURPHY

**Trustee**

CJ PORTER

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OPINION

We have audited the financial statements of T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) (the 'charity') for the year ended 31 March 2022 set out on pages 17 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

### RESPONSIBILITIES OF TRUSTEES

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

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

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### USE OF OUR REPORT

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

Simon Worswick

Simon Worswick B.A. F.C.A. (senior statutory auditor) 3 November 2022

for and on behalf of

**Smith & Goulding Limited**

Chartered Accountants and Statutory Auditors

2 Southport Road
Chorley
Lancashire
PR7 1LB

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2022

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | - | **46,100** | **46,100** | *61,738* |
| Charitable activities | 3 | **88,886** | **1,256,784** | **1,345,670** | *1,613,435* |
| Other trading activities | 4 | - | **19,938** | **19,938** | *4,489* |
| **TOTAL INCOME** | | **88,886** | **1,322,822** | **1,411,708** | *1,679,662* |
| **EXPENDITURE ON:** | | | | | |
| Raising funds | 4 | - | **323** | **323** | *341* |
| Charitable activities | 7,5 | **237,907** | **1,209,764** | **1,447,671** | *1,353,591* |
| **TOTAL EXPENDITURE** | | **237,907** | **1,210,087** | **1,447,994** | *1,353,932* |
| **NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | **(149,021)** | **112,735** | **(36,286)** | *325,730* |
| **NET MOVEMENT IN FUNDS** | | **(149,021)** | **112,735** | **(36,286)** | *325,730* |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | **363,272** | **1,028,685** | **1,391,957** | *1,066,227* |
| **TOTAL FUNDS CARRIED FORWARD** | | **214,251** | **1,141,420** | **1,355,671** | *1,391,957* |

All activities relate to continuing operations.

The notes on pages 20 to 38 form part of these financial statements.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

(A company limited by guarantee)
REGISTERED NUMBER: 5577388

## BALANCE SHEET
## AS AT 31 MARCH 2022

| | Note | £ | 2022 £ | £ | 2021 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | | **853,537** | | *820,382* |
| **CURRENT ASSETS** | | | | | |
| Debtors | 12 | **263,198** | | *185,582* | |
| Cash at bank and in hand | | **651,781** | | *820,942* | |
| | | **914,979** | | *1,006,524* | |
| **CREDITORS:** amounts falling due within one year | 13 | **(113,615)** | | *(101,626)* | |
| **NET CURRENT ASSETS** | | | **801,364** | | *904,898* |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,654,901** | | *1,725,280* |
| **CREDITORS:** amounts falling due after more than one year | 14 | | **(299,230)** | | *(333,323)* |
| **NET ASSETS** | | | **1,355,671** | | *1,391,957* |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 15 | | **214,251** | | *363,272* |
| Unrestricted funds | 15 | | **1,141,420** | | *1,028,685* |
| **TOTAL FUNDS** | | | **1,355,671** | | *1,391,957* |

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 3 November 2022 and signed on their behalf, by:

**Trustee** J. M. Malowana-Murphy **Trustee**

The notes on pages 20 to 38 form part of these financial statements.

JM MALOWANA-MURPHY

CJ PORTER

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash (used in)/provided by operating activities | 17 | **(88,869)** | *377,286* |
| **Cash flows from investing activities:** | | | |
| Purchase of tangible fixed assets | | **(80,292)** | *(29,622)* |
| **Net cash used in investing activities** | | **(80,292)** | *(29,622)* |
| **Cash flows from financing activities:** | | | |
| Total movement in loans | | **-** | *13,655* |
| **Net cash provided by financing activities** | | **-** | *13,655* |
| **Change in cash and cash equivalents in the year** | | **(169,161)** | *361,319* |
| Cash and cash equivalents brought forward | | **820,942** | *459,623* |
| **Cash and cash equivalents carried forward** | | **651,781** | *820,942* |

The notes on pages 20 to 38 form part of these financial statements.

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

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

## 1. ACCOUNTING POLICIES (continued)

### 1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## 1. ACCOUNTING POLICIES (continued)

### 1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | 2% straight line |
| L/Term Leasehold Property | - | 2% straight line |
| S/Term Leasehold Property | - | 20% straight line |
| Plant & machinery | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Fixtures & fittings | - | 20% straight line |
| Office equipment | - | 20% straight line |
| Medical equipment | - | 20% straight line |

The freehold property is stated at cost less accumulated depreciation. The property has been valued at £475,000 which is below the net book value in the accounts. However, as the Trustees consider that the cost of purchasing and converting a similar property would exceed the current book value of the property, it is not considered necessary to write down the value of the asset on the balance sheet.

## 1. ACCOUNTING POLICIES (continued)

### 1.5 INTEREST RECEIVABLE

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

### 1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

### 1.7 DEBTORS

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

### 1.8 CASH AT BANK AND IN HAND

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

### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 1.10 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.11 PENSIONS

Contributions to the charity's defined contribution pension scheme are charged as expenditure in the year in which they become payable.

## 1. ACCOUNTING POLICIES (continued)

### 1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## 2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|
| Donations including Gift Aid | - | **23,587** | **23,587** | *21,432* |
| Asda | - | - | - | *600* |
| Co-Op Community Team | - | - | - | *1,850* |
| Albert Hunt SP | - | **5,500** | **5,500** | *-* |
| Charles Plater Trust | - | **4,700** | **4,700** | *18,800* |
| Gel-Clear Ltd | - | - | - | *1,000* |
| HSBC Trust | - | - | - | *5,000* |
| MLS Mortgages Limited | - | - | - | *500* |
| Isherwood & Hose | - | **3,188** | **3,188** | *-* |
| Napthens LLP | - | **1,000** | **1,000** | *-* |
| Rotary Club of Great Harwood and Rishton | - | - | - | *656* |
| Souter Charitable Trust | - | - | - | *5,000* |
| The David Brooke Charity | - | - | - | *1,500* |
| The Dowager Countess Eleanor Peel Trust | - | **5,000** | **5,000** | *-* |
| Neighbourly Limited | - | - | - | *400* |
| Sisters of St Joseph | - | - | - | *5,000* |
| Mayors Charity | - | **1,000** | **1,000** | *-* |
| Groundwork UK | - | **1,125** | **1,125** | *-* |
| Pennine Community Credit Union Ltd | - | **1,000** | **1,000** | *-* |
| Total donations and legacies | - | **46,100** | **46,100** | *61,738* |
| *Total 2021* | *-* | *61,738* | *61,738* | |

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

### 3. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|
| Contracts for charitable services | **88,886** | **1,256,784** | **1,345,670** | *1,613,435* |
| *Total 2021* | *232,077* | *1,381,358* | *1,613,435* | |

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

### CONTRACTS FOR CHARITABLE SERVICES

| | Restricted Funds 2022 £ | Unrestricted Funds 2022 £ | Total Funds 2022 £ | *Total Funds 2021 £* |
|---|---|---|---|---|
| BwD BC - Supporting People - GU | - | **26,218** | **26,218** | *10,710* |
| BwD BC Social Fund - Emergency Food Provision | - | **20,000** | **20,000** | *31,000* |
| BWD BC - Housing Support Grant | **11,000** | - | **11,000** | - |
| Service User Housing Benefits - Galligreaves Unit | - | **69,848** | **69,848** | *67,602* |
| BWD BC - Infection Control | - | **16,122** | **16,122** | - |
| Service User General Benefits - Witton Bank | - | **57,682** | **57,682** | *62,220* |
| BWD Universal Fund | - | **57,000** | **57,000** | - |
| Service User Housing Benefits - Salford | - | **230,488** | **230,448** | *229,437* |
| BST Universal Fund | - | **36,990** | **36,990** | - |
| Servicer User Housing Benefits - BwD Gateways/Oozehead Lane | - | **26,385** | **26,385** | *27,063* |
| Hyndburn Borough/ Salford City Council - COVID 19 | - | **10,450** | **10,450** | *43,335* |
| Local Authority Funding for Witton Bank Rehab | - | **198,841** | **198,841** | *249,340* |
| Greater Manchester Mental Health NHS - Salford | - | **358,332** | **358,332** | *450,188* |
| CGL BWD - Inspire | - | **126,408** | **126,408** | *115,874* |
| Big Lottery Fund | - | - | - | *67,128* |
| Selnet Ltd | **36,915** | - | **36,915** | *22,565* |
| Big Lottery Fund - COVID 19 | - | - | - | *55,000* |
| Big Lottery Fund - Main Grants COVID | - | - | - | *60,384* |
| Tesco/Groundworks | - | - | - | *500* |
| Albert Gubay Charitable Trust | - | - | - | *25,000* |
| Zocharius Charitable Trust | **7,500** | - | **7,500** | - |
| Community Foundation | - | - | - | *2,000* |
| CRISIS UK | - | - | - | *5,000* |
| Salford City Council - COVID 19 | - | - | - | *42,750* |
| Julia and Hans Rausing Trust | - | - | - | *10,000* |
| Other small grants | - | **1,000** | **1,000** | *1,126* |
| HMRC JRS | - | **9,804** | **9,804** | *35,213* |
| DWF Charitable Fund | **4,500** | - | **4,500** | - |
| The Dowager Countess Elanor Peel Trust | **5,000** | - | **5,000** | - |
| DWP Kickstart | **23,971** | **11,216** | **35,187** | - |
| Total | **88,886** | **1,256,784** | **1,345,670** | *1,613,435* |

## 4. CHARITY TRADING INCOME

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|
| **CHARITY TRADING INCOME** | | | | |
| Income from Charity Shop | - | 18,327 | 18,327 | *4,489* |
| Income from social enterprises | - | 1,611 | 1,611 | *-* |
| | - | 19,938 | 19,938 | *4,489* |
| **FUNDRAISING TRADING EXPENSES** | | | | |
| Charity Shop trading expenses | - | 323 | 323 | *341* |
| | - | 323 | 323 | *341* |
| Net income from charity trading income | - | 19,615 | 19,615 | *4,148* |

In 2021, all trading income and trading expenses were from unrestricted funds.

## 5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|
| Core (including Universal Funds/ Grants ) | 87,619 | 53,922 | 141,541 | *159,274* |
| Galligreaves Unit | - | 54,457 | 54,457 | *52,570* |
| Witton Bank SS Rehab | - | 315,686 | 315,686 | *303,168* |
| Salford Housing and Recovery Projects | - | 598,568 | 598,568 | *543,828* |
| CRI - East and North Lancashire | - | 69,197 | 69,197 | *88,169* |
| BwD Gateways/Oozehead | - | 13,455 | 13,455 | *16,017* |
| Social Enterprise Projects (including Big Lottery) | 66,459 | 65,789 | 132,248 | *108,830* |
| Selnet Ltd - BBO Funding | 70,337 | 447 | 70,784 | *14,569* |
| Society of the Holy Child Jesus | 13,492 | 894 | 14,386 | *28,107* |
| | 237,907 | 1,172,415 | 1,410,322 | *1,314,532* |
| *Total 2021* | *212,909* | *1,101,623* | *1,314,532* | |

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

### 6. SUPPORT COSTS

| | Core (including Universal Funds/ Grants) £ | Galligreaves Unit £ | Witton Bank SS Rehab £ | Salford Housing and Recov £ | CRI - CGL Sub-Contracts £ |
|---|---|---|---|---|---|
| Core storage rent and utility costs | 4,893 | - | - | - | - |
| Wages and salaries | 5,291 | 1,626 | 9,353 | 16,673 | 2,846 |
| National insurance | 438 | 114 | 743 | 1,324 | 226 |
| Pension cost | 123 | 37 | 215 | 383 | 65 |
| | 10,745 | 1,777 | 10,311 | 18,380 | 3,137 |
| *Total 2021* | *10,625* | *915* | *9,296* | *15,239* | *4,098* |

| | BwD Gateways/Overhead £ | Social Enterprise Project £ | Selnet Ltd - BBO Funding £ | Society of the Holy Child £ | Total 2022 £ | *Total 2021 £* |
|---|---|---|---|---|---|---|
| Core storage rent and utility costs | - | - | - | - | 4,893 | *5,828* |
| Wages and salaries | 406 | 3,253 | 406 | 812 | 40,666 | *35,491* |
| National insurance | 32 | 258 | 32 | 64 | 3,231 | *2,768* |
| Pension cost | 9 | 75 | 9 | 18 | 934 | *995* |
| | 447 | 3,586 | 447 | 894 | 49,724 | *45,082* |
| *Total 2021* | - | *3,556* | *578* | *775* | - | |

## 7. GOVERNANCE COSTS

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | *Total funds 2021 £* |
|---|---|---|---|---|
| Accountancy fees | - | **3,891** | **3,891** | *7,783* |
| Auditors' remuneration | - | **2,960** | **2,960** | *2,750* |
| Legal and professional fees | - | **11,926** | **11,926** | *8,275* |
| Loan interest | - | **14,699** | **14,699** | *18,320* |
| Bank charges and loan arrangement fees | - | **3,873** | **3,873** | *1,931* |
| | **-** | **37,349** | **37,349** | *39,059* |

In 2021, of the total governance costs, £39,059 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

## 8. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2022 £ | *2021 £* |
|---|---|---|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | **47,137** | *33,654* |
| Auditors' remuneration - audit | **2,960** | *2,750* |
| Accountancy fees | **3,890** | *7,783* |
| Operating lease rentals | **121,984** | *143,326* |

During the year, no trustees received any remuneration (2021 - £NIL).
During the year, no trustees received any benefits in kind (2021 - £NIL).
During the year, no trustees received any reimbursement of expenses (2021 - £NIL).

**Operating Leases**

| | 2022 £ | *2021 £* |
|---|---|---|
| Land and buildings | **121,984** | *140,821* |
| Office equipment | **-** | *2,505* |
| Total | **121,984** | *143,326* |

## 9. DIRECT COSTS (Excl Support and Governance costs)

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Building costs | **310,996** | *285,521* |
| Printing, postage and stationery | **6,839** | *5,954* |
| Travel and volunteer expenses | **8,340** | *9,399* |
| Staff training and resources | **4,670** | *4,901* |
| Sessional worker costs | **1,280** | *1,400* |
| Client living expenses | **108,010** | *101,816* |
| Staff recruitment | **430** | *80* |
| Social enterprise costs | **15,367** | *10,291* |
| Wages and salaries | **772,655** | *674,337* |
| Employers national insurance | **61,394** | *52,598* |
| Employers pension costs | **17,746** | *18,907* |
| Depreciation | **47,137** | *33,654* |
| Legal and professional | **5,734** | *10,533* |
| Additional IT equipment | **-** | *60,400* |
| | **1,360,598** | *1,269,791* |

## 10. STAFF COSTS

Staff costs were as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **813,321** | *709,828* |
| Social security costs | **64,625** | *55,366* |
| Other pension costs | **18,680** | *19,902* |
| | **896,626** | *785,096* |

The average number of persons employed by the charity during the year was as follows:

| | 2022 | 2021 |
|---|---|---|
| | No. | No. |
| Project personnel | **33** | *29* |
| Charity administration (incl projects) | **5** | *5* |
| | **38** | *34* |

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by management and key personnel amounted to £80,071 (2021 - £53,018).

## 11. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Other fixed assets £ | Total £ |
|---|---|---|---|
| **COST** | | | |
| At 1 April 2021 | **1,164,801** | **165,442** | **1,330,243** |
| Additions | **76,043** | **4,249** | **80,292** |
| At 31 March 2022 | **1,240,844** | **169,691** | **1,410,535** |
| **DEPRECIATION** | | | |
| At 1 April 2021 | **360,975** | **148,886** | **509,861** |
| Charge for the year | **41,460** | **5,677** | **47,137** |
| At 31 March 2022 | **402,435** | **154,563** | **556,998** |
| **NET BOOK VALUE** | | | |
| At 31 March 2022 | **838,409** | **15,128** | **853,537** |
| *At 31 March 2021* | *803,826* | *16,556* | *820,382* |

At 31 March 2022, included within the net book value of land and buildings is £644,888 (2021 - £665,317) relating to freehold land and buildings, £120,339 (2021 - £123,640) relating to long term leasehold land and buildings and £73,182 (2021 - £14,869) relating to short term leasehold land and buildings.

The buildings include Witton Bank, Spring Lane which has a security held against this building by the Unity Bank with a second legal charge being held by Futurebuilders. The Net book value of this secured property is £665,317.

## 12. DEBTORS

| | 2022 £ | *2021 £* |
|---|---|---|
| Trade debtors | **125,280** | *89,902* |
| Other debtors | **22,727** | *8,288* |
| Prepayments and accrued income | **115,191** | *87,392* |
| | **263,198** | *185,582* |

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

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Bank loan | **17,391** | *17,391* |
| Other loan | **12,792** | *12,792* |
| Trade creditors | **42,306** | *32,789* |
| Other taxation and social security | **18,198** | *14,996* |
| Other creditors | **4,771** | *4,126* |
| Accruals and deferred income | **18,157** | *19,532* |
| | **113,615** | *101,626* |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Bank loan | **81,335** | *99,647* |
| Other loan | **217,895** | *233,676* |
| | **299,230** | *333,323* |

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Repayable by instalments | **178,498** | *212,591* |

The bank loan is from Unity Trust Bank plc and £98,726.15 is still owing at 31 March 2022 (total loan repayable over 25 years at a rate of interest of 2.25% over the Bank's Base Rate). The other loan is for £230,687 from Futurebuilders England and is repayable over 25 years at a rate of interest of 3% over the Bank's Base Rate.

The borrowings from Unity Trust Bank are secured by a first legal charge on Witton Bank, Spring Lane, Blackburn. Futurebuilders have the second legal charge on the property. The amount of the secured liability is £363,506.

## 15. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Balance at 31 March 2022 £ |
|---|---|---|---|---|
| **UNRESTRICTED FUNDS** | | | | |
| General Funds - all funds | **1,028,685** | **1,322,822** | **(1,210,087)** | **1,141,420** |

**RESTRICTED FUNDS**

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Balance at 31 March 2022 £ |
|---|---|---|---|---|
| Futurebuilders - capital grant | **86,005** | **-** | **(2,800)** | **83,205** |
| BwD PCT - capital grant | **2,178** | **-** | **(240)** | **1,938** |
| BwD DAAT - capital grant | **346** | **-** | **(60)** | **286** |
| Zochorius Charitable Trust | **-** | **7,500** | **(7,500)** | **-** |
| Big Lottery Fund - Social Enterprise | **66,459** | **-** | **(66,459)** | **-** |
| Selnet Ltd | **33,471** | **36,915** | **(70,337)** | **49** |
| Public Health England - capital grant - new building | **128,773** | **-** | **-** | **128,773** |
| The Society of the Holy Child Jesus | **13,492** | **-** | **(13,492)** | **-** |
| DWF Charitable Foundation | **-** | **4,500** | **(4,500)** | **-** |
| Big Lottery Fund - Covid 19 | **10,050** | **-** | **(10,050)** | **-** |
| Big Lottery Fund - Main Grants Covid | **10,000** | **-** | **(10,000)** | **-** |
| Albert Gubay Charitable Trust | **12,498** | **-** | **(12,498)** | **-** |
| The Dowager Countess Elanor Peel Trust | **-** | **5,000** | **(5,000)** | **-** |
| DWP Kickstart | **-** | **23,971** | **(23,971)** | **-** |
| BWD Borough Council - Housing Support Grant | **-** | **11,000** | **(11,000)** | **-** |
| | **363,272** | **88,886** | **(237,907)** | **214,251** |
| Total of funds | **1,391,957** | **1,411,708** | **(1,447,994)** | **1,355,671** |

### STATEMENT OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2020* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Balance at 31 March 2021* £ |
|---|---|---|---|---|---|
| Surplus from Autumn Ball Fundraiser | *11,252* | - | - | *(11,252)* | - |
| General Funds - all funds | *710,871* | *1,447,585* | *(1,141,023)* | *11,252* | *1,028,685* |

## 15. STATEMENT OF FUNDS (continued)

### RESTRICTED FUNDS

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---|---|---|---|---|
| Futurebuilders - capital grant | 88,805 | - | (2,800) | - | 86,005 |
| BwD PCT - capital grant | 2,418 | - | (240) | - | 2,178 |
| BwD DAAT - capital grant | 406 | - | (60) | - | 346 |
| Big Lottery Fund - Social Enterprise | 56,631 | 67,128 | (57,300) | - | 66,459 |
| Selnet Ltd | 25,475 | 22,565 | (14,569) | - | 33,471 |
| Public Health England - capital grant - new building | 128,773 | - | - | - | 128,773 |
| The Society of the Holy Child Jesus | 41,596 | - | (28,104) | - | 13,492 |
| Big Lottery Fund - Covid 19 | - | 55,000 | (44,950) | - | 10,050 |
| Big Lottery Fund - Main Grants Covid | - | 60,384 | (50,384) | - | 10,000 |
| Albert Gubay Charitable Trust | - | 25,000 | (12,502) | - | 12,498 |
| Community Foundation | - | 2,000 | (2,000) | - | - |
| | 344,104 | 232,077 | (212,909) | - | 363,272 |

**Restricted Funds:**

Restricted funds to be carried forward into the next financial year are;

Futurebuilders - This fund is to be utilised in respect of capital works carried out to the Witton Bank property.

BWD PCT - To be spent on capital works at Witton Bank and 181 - 192 Dickson Close properties.

BWD DAAT - This is to be utilised for improvements made to previous rental properties within Blackburn and Darwen.

Public Health England new building grant - This fund has been utilised in purchasing a new property in the Salford area.

Selnet Ltd - This fund is for Building Better Opportunities and will be fully utilised over the next few years.

Big Lottery Fund – This fund is for the 'THOMAS Works' project.

The Society for the Holy Child Jesus - This is to be utilised for staff costs.

The Big Lottery Fund - COVID 19 - To fund staff and other costs throughout the COVID-19 pandemic.

The Big Lottery Fund - Main Grants COVID - A continuation to the fund above.

Albert Gubay Charitable Trust - This fund is to be spent on building works/ furnishings across the properties.

DWP Kickstart - This funding is to cover the salaries of young people to give them experience to get into employment.

Community Foundation - This was a small grant towards the initial response to COVID-19.

**SUMMARY OF FUNDS - CURRENT YEAR**

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Balance at 31 March 2022 £ |
|---|---|---|---|---|
| General funds | **1,028,685** | **1,322,822** | **(1,210,087)** | **1,141,420** |
| | **1,028,685** | **1,322,822** | **(1,210,087)** | **1,141,420** |
| Restricted funds | **363,272** | **88,886** | **(237,907)** | **214,251** |
| | **1,391,957** | **1,411,708** | **(1,447,994)** | **1,355,671** |

## 15. STATEMENT OF FUNDS (continued)

### SUMMARY OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2020* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Balance at 31 March 2021* £ |
|---|---|---|---|---|---|
| Designated funds | *11,252* | - | - | *(11,252)* | - |
| General funds | *710,871* | *1,447,585* | *(1,141,023)* | *11,252* | *1,028,685* |
| | *722,123* | *1,447,585* | *(1,141,023)* | - | *1,028,685* |
| Restricted funds | *344,104* | *232,077* | *(212,909)* | - | *363,272* |
| | *1,066,227* | *1,679,662* | *(1,353,932)* | - | *1,391,957* |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | **Restricted funds 2022** £ | **Unrestricted funds 2022** £ | **Total funds 2022** £ |
|---|---|---|---|
| Tangible fixed assets | **-** | **853,537** | **853,537** |
| Current assets | **214,251** | **700,728** | **914,979** |
| Creditors due within one year | **-** | **(113,615)** | **(113,615)** |
| Creditors due in more than one year | **-** | **(299,230)** | **(299,230)** |
| | **214,251** | **1,141,420** | **1,355,671** |

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | *Restricted funds 2021* £ | *Unrestricted funds 2021* £ | *Total funds 2021* £ |
|---|---|---|---|
| Tangible fixed assets | - | *820,382* | *820,382* |
| Current assets | *363,272* | *643,252* | *1,006,524* |
| Creditors due within one year | - | *(101,626)* | *(101,626)* |
| Creditors due in more than one year | - | *(333,323)* | *(333,323)* |
| | *363,272* | *1,028,685* | *1,391,957* |

## 17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|---|---|---|
| Net (expenditure)/income for the year (as per Statement of Financial Activities) | **(36,286)** | *325,730* |
| **Adjustment for:** | | |
| Depreciation charges | **47,137** | *33,654* |
| (Increase)/decrease in debtors | **(77,616)** | *34,707* |
| Decrease in creditors | **(22,104)** | *(16,805)* |
| **Net cash (used in)/provided by operating activities** | **(88,869)** | *377,286* |

## 18. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2022 £ | 2021 £ |
|---|---|---|
| Cash in hand | **651,781** | *820,942* |
| Total | **651,781** | *820,942* |

## 19. PENSION COMMITMENTS

Payments were made to personal pension plans for the year ended 31 March 2022. Outstanding monies due at 31 March 2022 amounted to £3,528 (2021 - £3,031) and are included in creditors.

## 20. OPERATING LEASE COMMITMENTS

At 31 March 2022 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

| | Land and buildings | | Other | |
|---|---|---|---|---|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| **AMOUNTS PAYABLE:** | | | | |
| Within 1 year | **30,496** | *32,055* | **-** | *1,670* |

## 21. RELATED PARTY TRANSACTIONS

No related party transactions occurred in the years ended 31 March 2022 and 31 March 2021.

## 22. CONTROLLING PARTY

The charity is controlled by the Trustees.

## 23. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company was incorporated in England and the registered office is as follows:-

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**T.H.O.M.A.S (THOSE ON THE MARGINS OF A SOCIETY)**

England & Wales - Charity number 1114489

# Accounts

Registered number: 5577388
Charity number: 1114489

# T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

(A company limited by guarantee)

AUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

**Trustees**

J M Malowana-Murphy
C J Porter
J Skaria
L Flood
M Fullalove
D Jameson
N Malley (appointed 28/10/2021)

**Company registered number**

5577388

**Charity registered number**

1114489

**Registered office**

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX

**Company secretary**

Reverend J P McCartney

**Chief executive officer**

Reverend J P McCartney

**Independent auditors**

RP Smith & Co
Chartered Accountants and Statutory Auditors
2 Southport Road
Chorley
Lancashire
PR7 1LB

**Bankers**

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

**Advisers (continued)**

**Solicitors**

Farleys Solicitors
Hurstwood Court
Dutton's Way
Shadsworth Business Park
Blackburn
BB1 2QR

**Accountancy Services**

CW Accountants Ltd
3.0 Brotherston Drive
Blackburn
Lancashire
BB2 4FJ

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report together with the audited financial statements of the charity T.H.O.M.A.S. (Those on the Margins of a Society) (the charity) for the year ended 31st March 2021. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## OBJECTIVES AND ACTIVITIES

### a. POLICIES AND OBJECTIVES

T.H.O.M.A.S. is a charity which provides rehabilitation, resettlement and accommodation for people suffering from drug and alcohol abuse. It also educates the public about the effects of drug and alcohol abuse, housing need and social exclusion. In addition it provides a drop-in centre for people in need. Its objectives are protected with a comprehensive set of policies and procedures.

### b. STRATEGIES FOR ACHIEVING OBJECTIVES

Strategies for Achieving its objectives:
As part of its recovery services, THOMAS provides psychosocial programmes that include various activities to assist individuals in dealing with their addictions to drugs and alcohol. It works with an integrated strategy of psychosocial interventions across Blackburn with Darwen, Salford, and Bolton, which includes:

- Supporting the development of conveniently located recovery housing with a strong sense of living in a community
- Providing residential rehabilitation, including a female rehab unit
- Providing a dynamic group programme in each of its locations that promotes the 12 step philosophy
- Delivering a range of holistic recovery-focused services, which includes supporting people through detox and residential rehabilitation into the community-based provision of support
- Offering drop-in facilities, assertive outreach recovery programmes incorporating cognitive, social and interpersonal approaches and support with wider issues associated with addiction
- Providing a hot meal each day for people who are in need in Blackburn
- Working as a subcontractor in the delivery of recovery programmes with GMMH (Greater Manchester Mental Health Trust Foundation) and CGL (Change, Grow, Live)
- Providing accommodation and move-on accommodation support
- Offering volunteer placements to gain skills and grow in confidence
- Providing a furniture restoration project that also includes a sales shop
- Preparing people for employment.

The charity has good cognitive and reflective spiritual programmes that cultivate a strong positive culture of sustainable recovery.
Furthermore, its peer-led processes are key to its effective ways of cultivating engagement. The charity's specialist culture promotes observational learning in that people can change negative behaviours through living together and learning from each other. Asset-based community resources are critical to its overarching strategy. It provides sustainable growth and the development of asset-based communities on the strengths and potentials of its recovery communities.

b. STRATEGIES FOR ACHIEVING OBJECTIVES - continued
Equally, the charity works as a subcontractor within a broader context of local authority commissioning of integrated services. Furthermore, the charity links in with mental health services, homeless services, vulnerable adults, and children services to support the needs of the charity's service users.
Complex, vulnerable adults can be signposted or supported in partnership with other specialist services in an integrated care and social support strategy.

**c. VOLUNTEERS**

*The charity is grateful for the unstinting efforts of its volunteers who are involved in service provision, charity shops and fundraising. It is estimated that over 2,444 volunteer hours were provided during the year. If this is conservatively valued at £9.53 an hour the volunteer effort amounts to over £23,291. This was lower than usual due to the COVID-19 Pandemic. Equally, the charity is thankful to Salford Diocese for the free use of St Anne's House, Blackburn, St Boniface's Presbytery, Salford and St Ethelbert' Bolton.*

**PUBLIC BENEFIT**

Our main activities and who we try to help are described below. The trustees have given due regard to the guidance published by the Charity Commission and are confident that the activities of the charity comply with Section 17(5) of the Charities Act 2011. All our charitable activities focus on the prevention and treatment of drug and alcohol abuse and are undertaken to further our charitable purposes for the public benefit.

**ACHIEVEMENTS AND PERFORMANCE**

**a. REVIEW OF ACTIVITIES**
**COVID-19**

COVID-19 had a significant impact on our services. Our residential communities went into lockdown. However, the therapeutic community culture was on duty 24 hours a day to deal with the emotional vulnerabilities of our residents. The frontline staff faced the workday challenges with incredible resilience and dedication, despite the restrictions they faced in their day-to-day duties. Furthermore, they provided our residents with a high-quality service along with unwavering support as residents went through the process of recovering from the effects of drug and alcohol addiction in addition to the significant psychosocial impact of lockdown restrictions. It can be said that on the whole, the residents positively approached the lockdown. It was evident that they responded well to the challenges, and although they felt frustrated at times not being able to see their families and loved ones, they supported each other and made the most of their recovery journey.
We extended the opening hours of the Drop-in Centre from 5 days a week to 7 days. The chief executive worked in the centre at weekends, giving him first-hand experience of the difficulties people faced. Due to social distancing, service users were provided with take-away meals. Around 50 meals were prepared each day. This group of people seemed to suffer the most during the lockdown. Many felt isolated, and others were suffering from mental health issues and substance addiction. Blackburn with Darwen provided emergency Pod accommodation during the winter months, several of our service users benefited from this support.
The furniture restoration shops were closed for most of the year, and the staff was furloughed.
The COVID-19 experience imposed on us a virtual existence; residents used Zoom meetings to connect with the Narcotics Anonymous and Alcoholics Anonymous meetings around the world. This gave them good insight into the global recovery network. Digital technology was particularly useful for residents to have contact with their families, especially their children. On several occasions, we joined forces with other services and entered a couple of "Recovery's Got Talent" shows. We were delighted to win one of them.

Central management held digital meetings with operational management. It's intended that we will continue to keep some of the digital experience as we move into the future.

A robust COVID-19 risk assessment was put in place in line with government guidelines for staff and service users to follow.

**Statistics**

Overall THOMAS worked with a total of 757 people within its different projects. There were a total of 60 new starts within its residential projects, including its Achieve partnership; the remainder within its drop-in-centre and the Inspire partnership.

Drop-in Centre
- We worked with a total 200 people.
- There were a total of 11,501 meals provided.
- The service stayed open throughout the lockdowns, providing takeaway meals.
- We moved from a 5- day service to a 7-day service supporting some of the most vulnerable people during the pandemic.
- The majority of people presenting had problems ranging from mental health, drug/alcohol addictions, experiences of living in hostels, homelessness and rough sleeping or sofa surfing.

THOMAS Data Monitoring showed that we had the following positive discharges within our residential projects.
- 84% Witton Bank Blackburn
- 100 % Galligreaves Blackburn
- 88% St Boniface Salford
- 90% Female House Salford
- 100% Male Stage 2 Salford
- 100% Female Stage 2 Salford

Age range in residential projects

| | |
|---|---|
| 18 – 25 | 3.5% |
| 26 - 35 | 27% |
| 36 - 45 | 32% |
| 46 - 55 | 35.5% |
| 56+ | 2.1% |

In our community based service delivered in Blackburn as part of the subcontract with CGL, we had a good success rate:
296 people commenced Foundations of Change
138 people completed Foundations of Change
173 people commenced Foundations of Growth
66 people completed Foundations of Growth
32 people commenced Foundations of Life
15 people completed Foundations of Life

**Mutual Aid and Peer Support**

In every aspect of THOMAS, mutual aid and peer support continued to cultivate an environment of transformational change. Our service users became recovery ambassadors for each other.

**Witton Bank Blackburn**

Witton Bank offers rehabilitation for adults with a history of drug and/or alcohol dependency. The service has 24-hour support and accommodation for up to 21 people. The rehabilitation programme runs for 26 weeks. The project provides a challenging but caring environment for men to effectively address their drug and or alcohol problems.

In the course of the year 41 people were admitted to the project. Residents came predominantly from the North West, including, Lancashire, Bury, Wigan, and also as far as Newcastle in the North East. Different local

authorities spot purchased beds. Blackburn with Darwen continued its block contract and increased its block contract in the final quarter to 10 beds for direct access. The project provided a direct access from hospital, prison, homelessness and for people struggling in their own homes with addiction.

Each resident was provided with an individual care/recovery plan with clear goals and review of targets.

**Supported Housing Blackburn**

11 people moved into our supported housing scheme consisting of 12 flats and were supported into volunteering, education, and some into employment. Each service user was case managed with a support plan combining clear goals and a review of targets. The project maintained a total abstinence environment.

**Oozehead House Blackburn**

The Oozehead House Blackburn provided a stable community for 4 people throughout the year.

**Salford Stage 1 Houses**

Provision of specialised, abstinent residential accommodation continued incorporating structured, evidence-based daily group work and 1:1 mentoring continued in Salford. A total of 26 people accessed the project. In addition to existing clients from the previous year, 16 males were admitted to St Boniface House and 10 women to the Female House. A variety of recovery groups were delivered. Groups ranged from conflict resolution providing strategies on how to deal with triggers that prompt people into addiction, recovery mapping exercises, strategies for remaining abstinence and host of other psychosocial interventions that provided improved self-knowledge and cohesive group responses of renewed determination in tackling the problems of addiction.

**Salford Stage 2 Houses**

In addition to clients from the previous year 9 people moved into our stage 2 housing, living in community and engaging in volunteering, training and education. The on-going process of cognitive change was reinforced with mutual aid and support. The stage 2 project continued the work of stage 1 and encouraged residents to constantly examine behaviour cultivating pro-social engagement and on-going learning.

**Manchester Road House – Salford**

Due to COVID-19 we did not take any new admissions into the Manchester Road House.

**Bolton House**

Due to COVID-19 we did not take any new admissions into the Manchester Road House.

**Furniture Restoration - Big Lottery Reaching Communities**

Due to COVID-19 this project did not operate for most of the year.

**Salford Workshop**

Due to COVID-19 this project did not operate

**Swinton Precinct Shop (Salford)**

Due to COVID-19 this project did not operate for most of the year.

**Accrington Shop Arndale Precinct**

Due to COVID-19 this project did not operate

**Performance of the Social Enterprise**

Due to COVID-19 this project did not operate for most of the year.

**Building Better Opportunities Changing Futures Project**

THOMAS is a delivery partner in the Changing Futures project in Lancashire. Changing Futures is part of the nationwide Building Better Opportunities programme, funded by the European Social Fund (ESF) and The National Lottery Community Fund. Building Better Opportunities aims to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The Changing Futures project is focused on supporting people facing multiple and complex barriers to employment. All participants are unemployed or economically inactive and are at high risk of social exclusion.

**Case Studies of the Year**

**Case Study 1**
The 60-year-old male client started using substances recreationally at the age of 18. He would go clubbing/partying with friends and would share substances between them at weekends only.
At 22, he formed an intense new relationship and used cocaine frequently with his new partner. His use of substances started to increase.
His behaviour deteriorated, and he became involved in criminal activities to fund his misuse of substances.

Eventually, his partner wanted him to stop using, but he refused to do so. As a result, the relationship deteriorated, and the client had to leave the family home leaving behind his two sons.
The client's family did not know how to help and support him; he became homeless, and his substance use changed from recreational to chronic daily use. He also started abusing prescription medication codeine and promazine to help him sleep following the use of cocaine.

He had experienced no significant periods of abstinence from substances.
He accumulated significant debts with drug dealers and banks.

He was referred to THOMAS by Achieve and stayed with THOMAS while undergoing a community detox overseen by the Achieve clinical detox nurse.

He was assessed as needing support in the following areas:

- Abstinent living
- Assertiveness and self-esteem building
- Budgeting and money management
- Confidence building
- Family support (rebuilding relationships)
- Housing need
- Health care
- Communication skills

The client has now been abstinent from all substances for 2 years and 3 months.

He completed primary treatment with THOMAS and then completed the stage 2 supported accommodation programme. He successfully graduated from the THOMAS programme.

As a result of his recovery, he has made contact with his son, daughter, and grandchildren. At the moment the

contact and relationships are still limited, he has yet to regain the trust and respect of his family. However, overall his relationships are improving.

After completing stage two, the client moved to THOMAS' Manchester Road Little Hulton house which is linked to the social enterprise project. Until lock down he was regularly attending the furniture restoration therapeutic work programme. He played a big part in facilitating the opening of THOMAS shop in Swinton, restoring and selling furniture to the general public in a volunteer capacity.

He is now a respected member of the recovery community and has mentored several other clients. This has also helped him learn to communicate more effectively with others and become more aware of the needs of others so that he can help others instead of just thinking of himself.

He has also volunteered with another agency supporting entrenched rough sleepers and completed training with them.

He now uses what he has learned whilst in THOMAS to enhance his life and tries to help others.

He maintains the property he resides in and manages his finances much better.

Although there are still glimpses of the anger that he previously displayed regularly, he has now learned to express this in a way that is not threatening or detrimental to him or others. He has accessed counselling to help manage past trauma.

The next step for him is now to move on into his own accommodation; he has started to put things in place for this with THOMAS' support and feels able to take this step and live independently without using substances.

**Case Study 2**

The female client is 36 years old. She is Polish and was alcohol-dependent at the time of referral. After finishing her education in Poland, she had come to the UK alone in 2005 from Holland, where she had previously lived for 3 years working in hospitality . She started drinking dependently approximately 10 years ago due to a number of negative relationships. She has continued to work throughout since coming to UK.

NEEDS IDENTIFIED
She was referred by Achieve to THOMAS in October 2019 and assessed as needing support in the following areas:

- Alcohol detox and rehabilitation
- Family support
- Benefit support
- Occasional translation support
- Debt management
- Emotional health
- Physical health
- Housing support

The client is now more comfortable and confident within both herself and her own abilities in regard to emotional health and recovery.

THOMAS has assisted her with a debt management payment plan set up with debtors. She has regained regular contact with family and friends

The client is now ready to move onto the next stage of her recovery, into supported accommodation.

**Case Study 3 (Female resident shares her own story)**

I came into THOMAS on the 16th of June of this year. I was desperate to get in. I had enough with my life and didn't know how to manage it. Straightaway I thought everyone was welcoming; they were loving. The first stage was during COVID, so I had to self-isolate initially, but the girls were really nice, and the staff ran up and down the stairs for me when I was isolating. They were very supportive. Straightaway, I was at ease, and it felt right. I could breathe in the fresh air and realise things were alright. I didn't know anything about the 12 step programme.

I had never done anything like it. I have been in and out of alcohol services for maybe ten years or more, I could stop at times, but I could never stay stopped. For me, this was all brand new, and the 12 step programme began with my life story. I was so nervous of describing how my life was in front of other people – yet again, the people were really nice and supportive, which allowed barriers to come down straight away. Working through the steps and doing the group work for me has been massive. From step one to three, I learned about self-will, the higher power, and this understanding has just grown during the programme. At the moment, I am on step eight, and I've never known anything like it. Before THOMAS, I was unable to go out the door or shop, I was really isolated and full of anxiety, but today I have just been shopping! There are loads of things that I've combatted well like budgeting, shopping, something that I hadn't done in so long – I had forgotten how to live. Over time it was about learning how to live again by finding out how I am by getting my skills back. Before THOMAS, I was broken; without the support I would have been either dead or imprisoned as they were my only options. THOMAS saved my life.

**b. INVESTMENT POLICY AND PERFORMANCE**

The trustees retain funds in an interest bearing account and take advantage of the interest received albeit currently at low rates.

## FINANCIAL REVIEW

### a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

### b. RESERVES POLICY

The unrestricted general fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The Trustees are aiming to hold free reserves of six months of the operating expenditure of the charity. The Trustees have examined the requirement to maintain free reserves and have concluded that the most appropriate level is six months of operational expenditure. This has not yet been achieved, although reserves are increasing to meet this requirement. At 31 March 2021, the charity had total funds of £1,391,957 of which £1,028,685 represented unrestricted funds.

### c. FINANCIAL RESULTS FOR THE YEAR

The charitable company had total incoming resources of £1,679,662 for the year ended 31 March 2021 compared to £1,498,779 in the previous year. This is mainly due to increased income from Local Authorities and sub-contracts as well as COVID-19 grants. Resources expended to 31 March 2021 amounted to £1,353,932 (2020 - £1,393,043). This has resulted in a surplus for the year of £325,730 (2020 - £105,876). Funds brought forward from previous years amounts to £1,066,227, which, together with current funds, total £1,391,957 to carry forward to 2021/22. These funds to carry forward include £363,272 of restricted funds.

### d. PRINCIPAL FUNDING

Principal funding is provided by contracts with Blackburn with Darwen, spot purchase contracts via social care funding, Supporting People, subcontracts with Greater Manchester Mental Health NHS Foundation Trust (GMMH) Change, Growt,h Life (CGL), housing benefits. The charity is also grateful for donations from sponsors.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### a. CONSTITUTION

The charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 September 2005.

The charity is constituted under a Memorandum of Association dated 28 September 2005 and is a registered charity number 1114489.

The charity has a Code of Governance that identifies its values and works within the remit of its Memorandum and Articles of Association.

## b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Trustees continually look to bring onto the board new people who reflect the diversity of the charity's targeted beneficiaries, as well as an understanding of the organisation's business needs.

## c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A comprehensive induction and training policy for new trustees is now implemented. This is designed to give the strategic board a greater insight in to operational activity that can influence their strategic thinking. All new trustees undergo an induction period, providing them with an opportunity to understand different aspects of the company. Specific training is identified between the individual trustee and chair of the board.

## d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

THOMAS consists of a board of trustees who are responsible for the strategic direction and overall performance of the charity. They meet at least four times a year to review quarterly financial and operational performance and the monitoring of the strategic plan. The day to day management of the charity is handed down to a professional management team. The chief executive leads the senior management team and reports directly to the board. The senior management team has expertise in business strategy, financial management and the operational objectives of the charity. In addition an external financial advisor feeds into the senior management team and also reports to the board. They set targets and monitor outputs. Operational managers' and the senior finance officer report to the chief executive who chairs a monthly meeting that monitors: outputs, targets, health & safety, safeguarding, human resources, data collection and business development. A sub-committee of the senior management team exists that monitors financial management and the senior finance officer reports directly to the chief executive and external financial advisor who both report directly to the board of directors/trustees.

## e. RISK MANAGEMENT

The Trustees have a risk register that is active and ongoing to monitor exposure to risk. They are satisfied that systems and procedures are in place to mitigate major risks.

**Governance**
Potential for weak strategy and monitoring: In-depth strategic and financial reporting is provided each quarter to the board so it can respond to strategic challenge. Levels of accountability are clearly defined between board, senior management, operational management and frontline. Policies are reviewed every two years and earlier if legislation necessitates. A business continuity policy/ plan is in place.

Skill Base of Board: The board has a quality assurance framework in place to recruit essential skill mix covering, finance, management, business and local knowledge.

**e. RISK MANAGEMENT - continued**

**Financial Management**
Fraud: Systems are in place to minimise the risk of fraud. Different levels of responsibilities are in place to maximise control systems.

A risk register is constantly reviewed.

Income/Expenditure: Income and expenditure is analysed on a monthly basis. Contingency is allowed within overall budget with anticipated surpluses to compensate for under performance in other areas. The charity has invested in a central data analysis system that monitors operational performance linking into financial performance. Targets are set and outcomes monitored.

Loss of Public Sector Contracts: The charity is heavily reliant on public sector funding. However, its specialist asset base community has placed it in a good position to access sub contracts with prime providers. Local authority commissioning encourages partnership bids.

**Operational Management**
Under performance with subcontracts impacting contractual targets: The charity has performance management plans. Operational data reports are provided to managers on a weekly basis. Managers hold meetings with staff on a weekly basis and with senior management on a monthly basis.

Employment of Recovering Addicts: The charity employs a high proportion of people in recovery to fulfil its mission – hence the risk of relapse. However systems are in place to support staff through its outsourced HR Team.

Human Resources: The charity outsources its HR to a specialist team. This includes an occupational health unit, 24 hour help line for staff who may suffer from stress and a psychologist who is available for clinical supervision.

**Information Technology**
IT Data Performance Loss: All data is backed up and stored in an external data unit.

Security of Data: ThinkPads are used throughout the organisation with no data stored on individual computers. All data is managed on a network system with individual password access.

Breach of Information Governance: The charity is fully compliant with the NHS information governance toolkit. Information governance is part of staff induction. Staff engage on a refresher course each year.

**Health & Safety**
Fragmented Management of H&S: Health & safety is managed with risk assessments covering buildings, fire, generic project working, lone working and safeguarding. Each service user has an individual risk assessment.

**Environment**
Environmental factors are analysed on a regular basis with strategic planning to meet the challenge of the business environment. Business continuity procedures and plans are in place for unforeseen events.

**Regulated Activity**
The charity works with vulnerable people and is regulated under the Care Quality Commission. Its governance and management is independently inspected on a regular basis and it meets all CQC standards.

## PLANS FOR FUTURE PERIODS

### a. FUTURE DEVELOPMENTS

***Bolton***

– *The Bolton House has been by approved by the Care Quality Commission and will open as a CQC regulated Stage 1 House. This was delayed last year due to COVID-19. We anticipate that this will be operate in the second half of the new financial year.*

**BRIEF Coaching**

- A new coaching programme will be developed within the criminal justice system. The programme promotes residential drug and alcohol rehabilitation, focusing on those in the criminal justice system and linking into hostels, HMOs, and the THOMAS Drop-In Centre. It aims to empower people with lived experience to reach out to others in the system. It is particularly interested in the profiles of individuals who have excelled in residential rehabilitation so that they can feed back into the system and also be developed in coaching.
The programme and learning modules are under the direction of the CEO. Each quarter there will be three full-day workshops. Each coach will be supported by a clinical supervisor and line manager.

Criminal Justice

- A new criminal justice team will work across THOMAS linking its work into several prisons

**Social Enterprise**

– Foundations to employment culture – promoting the concept through furniture restoration as a pathway into employment will continue.

– A new maintenance team will be developed consisting of THOMAS therapeutic graduates. We hope to promote our service externally.

**Special Thanks**

THOMAS is grateful to the following Trusts and grant making bodies that support our work:

- Albert Gubay Charitable Foundation
- Asda Foundation
- Bain Charitable Trust
- Bernard Sunley Charitable Foundation
- Blackburn with Darwen COVID-19 Winter Support
- Cooperative fund
- Crises COVID Emergency Fund
- Julia and Hans Rausing Trust
- National Lottery (Government Emergency Fund)
- Neighbourly Community Fund
- Plater Trust
- Souter Charitable Trust
- Tesco Bags for Life

Also to Salford Diocese for the use of three of its properties.

## MEMBERS' LIABILITY

The trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

## TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of T.H.O.M.A.S. (Those on the Margins of a Society) for the purposes of company law) are responsible for preparing the trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

## AUDITORS

The auditors, RP Smith & Co, have indicated their willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

In preparing this report the trustees have taken advantage of the small companies exemption provided by section 419(2) of the Companies Act 2006.

Approved by the trustees on 25 November 2021 and signed on behalf of the board.

Trustee J. M. Malowana-Murphy
J M Malowana-Murphy

Trustee C J Porter
C J Porter

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OPINION

We have audited the financial statements of T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) (the 'charity') for the year ended 31 March 2021 set out on pages 18 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### RESPONSIBILITIES OF TRUSTEES

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

RP Smith & Co

**RP Smith & Co**

Chartered Accountants and Statutory Auditors

25 November 2021

2 Southport Road
Chorley
Lancashire
PR7 1LB

RP Smith & Co are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | - | 61,738 | 61,738 | *41,732* |
| Charitable activities | 3 | 232,077 | 1,381,358 | 1,613,435 | *1,442,676* |
| Other trading activities | 4 | - | 4,489 | 4,489 | *14,371* |
| **TOTAL INCOME** | | 232,077 | 1,447,585 | 1,679,662 | *1,498,779* |
| **EXPENDITURE ON:** | | | | | |
| Raising funds | 4 | - | 341 | 341 | *545* |
| Charitable activities | 7,5 | 212,909 | 1,140,682 | 1,353,591 | *1,392,498* |
| **TOTAL EXPENDITURE** | 8 | 212,909 | 1,141,023 | 1,353,932 | *1,393,043* |
| **NET INCOME BEFORE INVESTMENT GAINS** | | 19,168 | 306,562 | 325,730 | *105,736* |
| Net gains on investments | | - | - | - | *140* |
| **NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | 19,168 | 306,562 | 325,730 | *105,876* |
| **NET MOVEMENT IN FUNDS** | | 19,168 | 306,562 | 325,730 | *105,876* |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 344,104 | 722,123 | 1,066,227 | *960,351* |
| **TOTAL FUNDS CARRIED FORWARD** | | 363,272 | 1,028,685 | 1,391,957 | *1,066,227* |

All activities relate to continuing operations.

The notes on pages 21 to 39 form part of these financial statements.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY)
(A company limited by guarantee)
REGISTERED NUMBER: 5577388

## BALANCE SHEET
## AS AT 31 MARCH 2021

| | Note | £ | 2021 £ | £ | 2020 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | | **820,382** | | *824,414* |
| **CURRENT ASSETS** | | | | | |
| Debtors | 12 | **185,582** | | *244,289* | |
| Cash at bank and in hand | | **820,942** | | *459,623* | |
| | | **1,006,524** | | *703,912* | |
| **CREDITORS:** amounts falling due within one year | 13 | **(101,626)** | | *(112,249)* | |
| **NET CURRENT ASSETS** | | | **904,898** | | *591,663* |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,725,280** | | *1,416,077* |
| **CREDITORS:** amounts falling due after more than one year | 14 | | **(333,323)** | | *(349,850)* |
| **NET ASSETS** | | | **1,391,957** | | *1,066,227* |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 15 | | **363,272** | | *344,104* |
| Unrestricted funds | 15 | | **1,028,685** | | *722,123* |
| **TOTAL FUNDS** | | | **1,391,957** | | *1,066,227* |

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 25 November 2021 and signed on their behalf, by:

**Trustee** J. M. Malowana-Murphy
J M Malowana - Murphy

**Trustee** C J Porter

The notes on pages 21 to 39 form part of these financial statements.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash provided by operating activities | 17 | **377,286** | *106,141* |
| **Cash flows from investing activities:** | | | |
| Purchase of tangible fixed assets | | **(29,622)** | *(10,339)* |
| **Net cash used in investing activities** | | **(29,622)** | *(10,339)* |
| **Cash flows from financing activities:** | | | |
| Total movement in loans | | **13,655** | *(30,183)* |
| **Net cash provided by/(used in) financing activities** | | **13,655** | *(30,183)* |
| **Change in cash and cash equivalents in the year** | | **361,319** | *65,619* |
| Cash and cash equivalents brought forward | | **459,623** | *394,004* |
| **Cash and cash equivalents carried forward** | 18 | **820,942** | *459,623* |

The notes on pages 21 to 39 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

T.H.O.M.A.S. (THOSE ON THE MARGINS OF A SOCIETY) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

## 1. ACCOUNTING POLICIES (continued)

### 1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## 1. ACCOUNTING POLICIES (continued)

### 1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | 2% straight line |
| L/Term Leasehold Property | - | 2% straight line |
| S/Term Leasehold Property | - | 20% straight line |
| Plant & machinery | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Fixtures & fittings | - | 20% straight line |
| Office equipment | - | 20% straight line |
| Medical equipment | - | 20% straight line |

The freehold property is stated at cost less accumulated depreciation. The property has been valued at £475,000 which is below the net book value in the accounts. However, as the Trustees consider that the cost of purchasing and converting a similar property would exceed the current book value of the property, it is not considered necessary to write down the value of the asset on the balance sheet.

## 1. ACCOUNTING POLICIES (continued)

### 1.5 INTEREST RECEIVABLE

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

### 1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

### 1.7 DEBTORS

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

### 1.8 CASH AT BANK AND IN HAND

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

### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 1.10 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.11 PENSIONS

Contributions to the charity's defined contribution pension scheme are charged as expenditure in the year in which they become payable.

## 1. ACCOUNTING POLICIES (continued)

### 1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## 2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|
| Donations including Gift Aid | - | 21,432 | 21,432 | *21,732* |
| Asda | - | 600 | 600 | *1,500* |
| Co-Op Community Team | - | 1,850 | 1,850 | - |
| Fort Foundation | - | - | - | *1,000* |
| Charles Plater Trust | - | 18,800 | 18,800 | - |
| Gel-Clear Ltd | - | 1,000 | 1,000 | - |
| HSBC Trust | - | 5,000 | 5,000 | - |
| MLS Mortgages Limited | - | 500 | 500 | - |
| Sobell Foundation | - | - | - | *5,000* |
| Steel Charitable Trust | - | - | - | *7,500* |
| Rotary Club of Great Harwood and Rishton | - | 656 | 656 | - |
| Souter Charitable Trust | - | 5,000 | 5,000 | - |
| The David Brooke Charity | - | 1,500 | 1,500 | - |
| The Dowager Countess Eleanor Peel Trust | - | - | - | *5,000* |
| Neighbourly Limited | - | 400 | 400 | - |
| Sisters of St Joseph | - | 5,000 | 5,000 | - |
| Total donations and legacies | - | 61,738 | 61,738 | *41,732* |
| *Total 2020* | - | *41,732* | *41,732* | |

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|
| Contracts for charitable services | **232,077** | **1,381,358** | **1,613,435** | *1,442,676* |
| *Total 2020* | *203,555* | *1,239,121* | *1,442,676* | |

### CONTRACTS FOR CHARITABLE SERVICES

| | Restricted Funds 2021 £ | Unrestricted Funds 2021 £ | Total Funds 2021 £ | *Total Funds 2020 £* |
|---|---|---|---|---|
| BwD BC - Supporting People - GU | **-** | **10,710** | **10,710** | *25,200* |
| BwD BC Social Fund - Emergency Food Provision | **-** | **31,000** | **31,000** | *25,000* |
| Service User Housing Benefits - Galligreaves Unit | **-** | **67,602** | **67,602** | *55,857* |
| Service User General Benefits - Witton Bank | **-** | **62,220** | **62,220** | *53,938* |
| Service User Housing Benefits - Salford | **-** | **229,437** | **229,437** | *212,286* |
| Servicer User Housing Benefits - BwD Gateways/Oozehead Lane | **-** | **27,063** | **27,063** | *29,320* |
| Hyndburn Borough Council - COVID 19 | **-** | **43,335** | **43,335** | - |
| Local Authority Funding for Witton Bank Rehab | **-** | **249,340** | **249,340** | *270,213* |
| Greater Manchester Mental Health NHS - Salford | **-** | **450,188** | **450,188** | *448,399* |
| CGL BWD - Inspire | **-** | **115,874** | **115,874** | *126,408* |
| Big Lottery Fund | **67,128** | **-** | **67,128** | *131,635* |
| Selnet Ltd | **22,565** | **-** | **22,565** | *23,920* |
| Big Lottery Fund - COVID 19 | **55,000** | **-** | **55,000** | - |
| Big Lottery Fund - Main Grants COVID | **60,384** | **-** | **60,384** | - |
| Tesco/Groundworks | **-** | **500** | **500** | *(7,500)* |
| Albert Gubay Charitable Trust | **25,000** | **-** | **25,000** | - |
| The Society for the Holy Child Jesus | **-** | **-** | **-** | *48,000* |
| Community Foundation | **2,000** | **-** | **2,000** | - |
| CRISIS UK | **-** | **5,000** | **5,000** | - |
| Salford City Council - COVID 19 | **-** | **42,750** | **42,750** | - |
| Julia and Hans Rausing Trust | **-** | **10,000** | **10,000** | - |
| Other small grants | **-** | **1,126** | **1,126** | - |
| HMRC JRS | **-** | **35,213** | **35,213** | - |
| Total | **232,077** | **1,381,358** | **1,613,435** | *1,442,676* |

## 4. CHARITY TRADING INCOME

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|
| **CHARITY TRADING INCOME** | | | | |
| Income from Charity Shop | - | 4,489 | 4,489 | *14,371* |
| | - | 4,489 | 4,489 | *14,371* |
| **FUNDRAISING TRADING EXPENSES** | | | | |
| Charity Shop trading expenses | - | 341 | 341 | *545* |
| | - | 341 | 341 | *545* |
| Net income from charity trading income | - | 4,148 | 4,148 | *13,826* |

In 2020, all trading income and trading expenses were from unrestricted funds.

## 5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|
| Core (including Edges and Dynamic Intelligence project costs) | 112,936 | 39,972 | 152,908 | *50,620* |
| Galligreaves Unit | - | 52,570 | 52,570 | *57,032* |
| Witton Bank SS Rehab | - | 303,168 | 303,168 | *344,842* |
| Salford Housing and Recovery Projects | - | 543,828 | 543,828 | *599,912* |
| CRI - East and North Lancashire | - | 88,169 | 88,169 | *103,256* |
| BwD Gateways/Oozehead | - | 16,017 | 16,017 | *15,892* |
| Social Enterprise Projects (including Big Lottery) | 57,300 | 51,530 | 108,830 | *149,014* |
| Selnet Ltd - BBO Funding | 14,569 | - | 14,569 | *17,132* |
| Society of the Holy Child Jesus | 28,104 | - | 28,104 | *6,404* |
| Completed and Capital Projects | - | 6,369 | 6,369 | *6,050* |
| | 212,909 | 1,101,623 | 1,314,532 | *1,350,154* |
| *Total 2020* | - | *1,350,154* | *1,350,154* | |

## 6. SUPPORT COSTS

| | Basis of Allocation | Core (including Edge) £ | Galligreaves Unit £ | Witton Bank SS Rehab £ | Salford Housing and Recov £ | CRI - CGL Sub-Contracts £ |
|---|---|---|---|---|---|---|
| Core storage rent and utility costs | 100% | **5,828** | **-** | **-** | **-** | **-** |
| Wages and salaries | 5% | **4,466** | **828** | **8,374** | **13,669** | **3,644** |
| National insurance | 5% | **255** | **77** | **762** | **1,086** | **313** |
| Pension cost | 5% | **76** | **10** | **160** | **484** | **141** |
| | | **10,625** | **915** | **9,296** | **15,239** | **4,098** |
| *Total 2020* | | *6,558* | *1,047* | *10,900* | *17,743* | *4,956* |

| | BwD Gateways/Cozehead £ | Social Enterprise Project £ | Selnet Ltd - BBO Funding £ | Society of the Holy Child £ | Total 2021 £ | *Total 2020 £* |
|---|---|---|---|---|---|---|
| Core storage rent and utility costs | - | - | - | - | **5,828** | *6,443* |
| Wages and salaries | - | **3,210** | **525** | **775** | **35,491** | *36,411* |
| National insurance | - | **237** | **38** | - | **2,768** | *3,015* |
| Pension cost | - | **109** | **15** | - | **995** | *1,157* |
| | - | **3,556** | **578** | **775** | **45,082** | *47,026* |
| *Total 2020* | *81* | *4,602* | *819* | *320* | - | |

## 7. GOVERNANCE COSTS

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | *Total funds 2020 £* |
|---|---|---|---|---|
| Accountancy fees | - | **7,783** | **7,783** | *2,339* |
| Auditors' remuneration | - | **2,750** | **2,750** | *2,810* |
| Legal and professional fees | - | **8,275** | **8,275** | *16,224* |
| Loan interest | - | **18,320** | **18,320** | *19,000* |
| Bank charges and loan arrangement fees | - | **1,931** | **1,931** | *1,971* |
| | - | **39,059** | **39,059** | *42,344* |

In 2020, of the total governance costs, £42,344 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total 2021 £ | *Total 2020 £* |
|---|---|---|---|---|---|
| Expenditure on fundraising trading | - | - | 341 | 341 | *545* |
| **COSTS OF RAISING FUNDS** | - | - | 341 | 341 | *545* |
| Core (inc COVID and one off grant project costs) | 56,360 | 1,111 | 95,437 | 152,908 | *50,620* |
| Galligreaves Unit | 19,238 | - | 33,332 | 52,570 | *57,032* |
| Witton Bank SS Rehab | 195,242 | 17,392 | 90,534 | 303,168 | *344,842* |
| Salford Housing and Recovery Projects | 320,034 | 7,497 | 216,297 | 543,828 | *571,695* |
| CRI - East and North Lancashire | 86,084 | - | 2,085 | 88,169 | *103,256* |
| BwD Gateways/Oozehead | - | - | 16,017 | 16,017 | *15,892* |
| Social Enterprise Projects (including Big Lottery) | 74,698 | 1,285 | 32,847 | 108,830 | *149,014* |
| Selnet Ltd - BBO Funding | 12,160 | - | 2,409 | 14,569 | *17,132* |
| Activity 9 | - | - | - | - | *3,304* |
| Bolton House | - | - | - | - | *24,918* |
| Society of the Holy Child Jesus | 21,280 | - | 6,824 | 28,104 | *6,404* |
| Completed and Capital Projects | - | 6,369 | - | 6,369 | *6,045* |
| **CHARITABLE ACTIVITIES** | 785,096 | 33,654 | 495,782 | 1,314,532 | *1,350,154* |
| **EXPENDITURE ON GOVERNANCE** | - | - | 39,059 | 39,059 | *42,344* |
| | 785,096 | 33,654 | 535,182 | 1,353,932 | *1,393,043* |
| *Total 2020* | *811,986* | *31,941* | *549,116* | *1,393,043* | |

## 9. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | **33,654** | *31,942* |
| Auditors' remuneration - audit | **2,750** | *2,810* |
| Accountancy fees | **7,783** | *2,339* |
| Operating lease rentals | **143,326** | *134,879* |

During the year, no trustees received any remuneration (2020 - £NIL).
During the year, no trustees received any benefits in kind (2020 - £NIL).
During the year, no trustees received any reimbursement of expenses (2020 - £NIL).

**Operating Leases**

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Land and buildings | **140,821** | *130,463* |
| Office equipment | **2,505** | *4,416* |
| Total | **143,326** | *134,879* |

## 10. STAFF COSTS

Staff costs were as follows:

| | 2021 | *2020* |
|---|---|---|
| | £ | *£* |
| Wages and salaries | **709,828** | *728,564* |
| Social security costs | **55,366** | *60,291* |
| Other pension costs | **19,902** | *23,131* |
| | **785,096** | *811,986* |

The average number of persons employed by the charity during the year was as follows:

| | 2021 | *2020* |
|---|---|---|
| | No. | *No.* |
| Project personnel | **29** | *29* |
| Charity administration (incl projects) | **5** | *5* |
| | **34** | *34* |

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by management and key personnel amounted to £53,018 (2020 - £47,182).

## 11. TANGIBLE FIXED ASSETS

| | Land and buildings | Other fixed assets | Total |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 April 2020 | **1,152,734** | **147,887** | **1,300,621** |
| Additions | **12,067** | **17,555** | **29,622** |
| At 31 March 2021 | **1,164,801** | **165,442** | **1,330,243** |
| **DEPRECIATION** | | | |
| At 1 April 2020 | **334,725** | **141,482** | **476,207** |
| Charge for the year | **26,251** | **7,403** | **33,654** |
| At 31 March 2021 | **360,976** | **148,885** | **509,861** |
| **NET BOOK VALUE** | | | |
| At 31 March 2021 | **803,825** | **16,557** | **820,382** |
| *At 31 March 2020* | *818,009* | *6,405* | *824,414* |

## 11. TANGIBLE FIXED ASSETS (continued)

At 31 March 2021, included within the net book value of land and buildings is £665,317 (2020 - £682,146) relating to freehold land and buildings, £123,540 (2020 - £125,685) relating to long term leasehold land and buildings and £14,968 (2020 - £9,639) relating to short term leasehold land and buildings.

The buildings include Witton Bank, Spring Lane which has a security held against this building by the Unity Bank with a second legal charge being held by Futurebuilders. The Net book value of this secured property is £665,317.

## 12. DEBTORS

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Trade debtors | **89,902** | *115,628* |
| Other debtors | **8,288** | *8,708* |
| Prepayments and accrued income | **87,392** | *119,953* |
| | **185,582** | *244,289* |

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

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Bank loan | **17,391** | *17,391* |
| Other loan | **12,792** | *12,792* |
| Trade creditors | **32,789** | *28,145* |
| Other taxation and social security | **14,996** | *15,704* |
| Other creditors | **4,126** | *4,118* |
| Accruals and deferred income | **19,532** | *34,099* |
| | **101,626** | *112,249* |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Bank loan | **99,647** | *116,963* |
| Other loan | **233,676** | *232,887* |
| | **333,323** | *349,850* |

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2021 | *2020* |
|---|---|---|
| | £ | *£* |
| Repayable by instalments | **212,591** | *229,118* |

The bank loan is from Unity Trust Bank plc and £117,037 is still owing at 31 March 2021 (total loan repayable over 25 years at a rate of interest of 2.25% over the Bank's Base Rate). The other loan is for £246,468 from Futurebuilders England and is repayable over 25 years at a rate of interest of 3% over the Bank's Base Rate.

The borrowings from Unity Trust Bank are secured by a first legal charge on Witton Bank, Spring Lane, Blackburn. Futurebuilders have the second legal charge on the property. The amount of the secured liability is £363,506.

## 15. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---|---|---|---|---|
| **DESIGNATED FUNDS** | | | | | |
| Surplus from Autumn Ball Fundraiser | 11,252 | - | - | (11,252) | - |
| **GENERAL FUNDS** | | | | | |
| General Funds - all funds | 710,871 | 1,447,585 | (1,141,023) | 11,252 | 1,028,685 |
| Total Unrestricted funds | 722,123 | 1,447,585 | (1,141,023) | - | 1,028,685 |

**RESTRICTED FUNDS**

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---|---|---|---|---|
| Futurebuilders - capital grant | 88,805 | - | (2,800) | - | 86,005 |
| BwD PCT - capital grant | 2,418 | - | (240) | - | 2,178 |
| BwD DAAT - capital grant | 406 | - | (60) | - | 346 |
| Big Lottery Fund - Social Enterprise | 56,631 | 67,128 | (57,300) | - | 66,459 |
| Selnet Ltd | 25,475 | 22,565 | (14,569) | - | 33,471 |
| Public Health England - capital grant - new building | 128,773 | - | - | - | 128,773 |
| The Society of the Holy Child Jesus | 41,596 | - | (28,104) | - | 13,492 |
| Big Lottery Fund - Covid 19 | - | 55,000 | (44,950) | - | 10,050 |
| Big Lottery Fund - Main Grants Covid | - | 60,384 | (50,384) | - | 10,000 |
| Albert Gubay Charitable Trust | - | 25,000 | (12,502) | - | 12,498 |
| Community Foundation | - | 2,000 | (2,000) | - | - |
| | 344,104 | 232,077 | (212,909) | - | 363,272 |
| Total of funds | 1,066,227 | 1,679,662 | (1,353,932) | - | 1,391,957 |

### STATEMENT OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2019* £ | *Income* £ | *Expenditure* £ | *Gains/ (Losses)* £ | *Balance at 31 March 2020* £ |
|---|---|---|---|---|---|
| Surplus from Autumn Ball Fundraiser | *11,252* | - | - | - | *11,252* |
| General Funds - all funds | *664,255* | *1,295,224* | *(1,248,748)* | *140* | *710,871* |

## 15. STATEMENT OF FUNDS (continued)

### RESTRICTED FUNDS

| | *Balance at 1 April 2019* £ | *Income* £ | *Expenditure* £ | *Gains/ (Losses)* £ | *Balance at 31 March 2020* £ |
|---|---|---|---|---|---|
| Futurebuilders - capital grant | *91,605* | - | *(2,800)* | - | *88,805* |
| BwD PCT - capital grant | *2,658* | - | *(240)* | - | *2,418* |
| BwD DAAT - capital grant | *466* | - | *(60)* | - | *406* |
| Big Lottery Fund - Social Enterprise | *39,710* | *131,635* | *(114,714)* | - | *56,631* |
| Selnet Ltd | *18,687* | *23,920* | *(17,132)* | - | *25,475* |
| Public Health England - capital grant - new building | *131,718* | - | *(2,945)* | - | *128,773* |
| The Society of the Holy Child Jesus | - | *48,000* | *(6,404)* | - | *41,596* |
| | *284,844* | *203,555* | *(144,295)* | - | *344,104* |

**Restricted Funds;**

Restricted funds to be carried forward into the next financial year are;

Futurebuilders - This fund is to be utilised in respect of capital works carried out to the Witton Bank property.

BWD PCT - To be spent on capital works at Witton Bank and 181 - 192 Dickson Close properties.

BWD DAAT - This is to be utilised for improvements made to previous rental properties within Blackburn and Darwen.

Public Health England new building grant - This fund has been utilised in purchasing a new property in the Salford area.

Selnet Ltd - This fund is for Building Better Opportunities and will be fully utilised over the next few years.

Big Lottery Fund – This fund is for the 'THOMAS Works' project.

The Society for the Holy Child Jesus - This is to be utilised for staff costs.

The Big Lottery Fund - COVID 19 - To fund staff and other costs throughout the COVID-19 pandemic.

The Big Lottery Fund - Main Grants COVID - A continuation to the fund above.

Albert Gubay Charitable Trust - This fund is to be spent on building works/ furnishings across the properties.

Community Foundation - This was a small grant towards the initial response to COVID-19.

### SUMMARY OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---|---|---|---|---|
| Designated funds | 11,252 | - | - | (11,252) | - |
| General funds | 710,871 | 1,447,585 | (1,141,023) | 11,252 | 1,028,685 |
| | 722,123 | 1,447,585 | (1,141,023) | - | 1,028,685 |
| Restricted funds | 344,104 | 232,077 | (212,909) | - | 363,272 |
| | 1,066,227 | 1,679,662 | (1,353,932) | - | 1,391,957 |

### SUMMARY OF FUNDS - PRIOR YEAR

| | *Balance at 1 April 2019* £ | *Income* £ | *Expenditure* £ | *Gains/ (Losses)* £ | *Balance at 31 March 2020* £ |
|---|---|---|---|---|---|
| Designated funds | *11,252* | - | - | - | *11,252* |
| General funds | *664,255* | *1,295,224* | *(1,248,748)* | *140* | *710,871* |
| | *675,507* | *1,295,224* | *(1,248,748)* | *140* | *722,123* |
| Restricted funds | *284,844* | *203,555* | *(144,295)* | - | *344,104* |
| | *960,351* | *1,498,779* | *(1,393,043)* | *140* | *1,066,227* |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---|---|---|---|
| Tangible fixed assets | - | 820,382 | 820,382 |
| Current assets | 363,272 | 643,252 | 1,006,524 |
| Creditors due within one year | - | (101,626) | (101,626) |
| Creditors due in more than one year | - | (333,323) | (333,323) |
| | 363,272 | 1,028,685 | 1,391,957 |

## 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | *Restricted funds 2020* £ | *Unrestricted funds 2020* £ | *Total funds 2020* £ |
|---|---|---|---|
| Tangible fixed assets | *222,885* | *601,529* | *824,414* |
| Current assets | *133,138* | *570,774* | *703,912* |
| Creditors due within one year | *(11,919)* | *(100,330)* | *(112,249)* |
| Creditors due in more than one year | - | *(349,850)* | *(349,850)* |
| | *344,104* | *722,123* | *1,066,227* |

## 17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | **2021** £ | *2020* £ |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **325,730** | *105,876* |
| **Adjustment for:** | | |
| Depreciation charges | **33,654** | *31,942* |
| Decrease/(increase) in debtors | **34,707** | *(33,676)* |
| (Decrease)/increase in creditors | **(16,805)** | *1,999* |
| **Net cash provided by operating activities** | **377,286** | *106,141* |

## 18. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | **2021** £ | *2020* £ |
|---|---|---|
| Cash in hand | **820,942** | *459,623* |
| Total | **820,942** | *459,623* |

## 19. PENSION COMMITMENTS

Payments were made to personal pension plans for the year ended 31 March 2021. Outstanding monies due at 31 March 2021 amounted to £3,032 (2020 - £3,205) and are included in creditors.

## 20. OPERATING LEASE COMMITMENTS

At 31 March 2021 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

| | Land and buildings | | Other | |
|---|---|---|---|---|
| | **2021** | *2020* | **2021** | *2020* |
| | **£** | *£* | **£** | *£* |
| **AMOUNTS PAYABLE:** | | | | |
| Within 1 year | **32,055** | *31,231* | **1,670** | *2,506* |
| Between 2 and 5 years | **-** | *-* | **-** | *1,461* |
| Total | **32,055** | *31,231* | **1,670** | *3,967* |

## 21. RELATED PARTY TRANSACTIONS

No related party transactions occurred in the years ended 31 March 2021 and 31 March 2020.

## 22. CONTROLLING PARTY

The charity is controlled by the Trustees.

## 23. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company was incorporated in England and the registered office is as follows:-

St Anne's House
France Street
Blackburn
Lancashire
BB2 1LX