

Charity registration number 1118047

Company registration number 04886192 (England and Wales)

NEW FUTURES PROJECT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

NEW FUTURES PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	N Roscoe V Holden (Chair)
Secretary	M E Brown
Charity number	1118047
Company number	04886192
Principal address	71 London Road Leicester LE2 OPE
Registered office	71 London Road Leicester LE2 OPE
Independent examiner	Thomas Mayfield BA ACA Mayfield & Co 2 Merus Court Meridian Business Park Leicester LE19 1RJ
Bankers	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB

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NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

"The preservation and protection of good health and the advancement of education of women, girls, men and boys in Leicester, Leicestershire and Rutland who are involved in sexual exploitation, primarily but not exclusively through the provision of street outreach, a drop-in facility and practical care and guidance. The advancement of public education regarding prostitution and its impact on individuals and society."

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives, and in planning our future activities. The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The charity believes it has provided a public benefit during the year. In the section of our report titled Achievements and Performance, we aim to demonstrate how we have provided a public benefit. As a Board of Trustees, we take our role seriously. The charity works extremely hard to make sure that it provides charitable services that are socially inclusive to our service users.

Achievements and performance

Introduction

It has been a challenging year at New Futures. The counselling service has continued to develop, and we have recruited more counsellors, both qualified and trainee to meet demand. The Drop-In and Crisis work has also increased with more women attending the Drop-In in a state of crisis. The biggest challenge we have faced this year is balancing the increase in referrals we have received and the complexity of these with developing appropriate services to meet the demand. Counselling hours have doubled, phone contact for emotional and practical support between sessions has doubled and young people work has also doubled by hours. We know from our work with the VCSE Alliance locally that many charities have also seen a significant upturn in the complexity of referrals they are working with.

The combination of these factors has meant the staff team have at times struggled to cope with the increasing workloads. Our concern has been to ensure services are delivered safely and effectively and we have managed this by investing in additional training for staff including more robust safeguarding and mental health training.

Drop In and Crisis Work

Our Drop-In continues to be busy. We provide a safe space for women to come in and relax. Our staff serve hot meals and drinks and encourage women to discuss their problems. Our social work students work 1:1 with women in Drop In addressing immediate need such as finding a hostel bed for the night, giving out food parcels, donations of clothing, bedding and sleeping bags as well as supporting women to access benefits, deal with housing and tenancy issues, address immediate health issues and make necessary medical appointments. Women attending Drop-In can access clean injecting equipment, condoms and care packages. We facilitate reporting to the police and National Ugly Mugs if the women feel comfortable to do so and support women who have experienced instances of domestic, sexual and physical violence.

The increased level of complexity in the referrals we are receiving means that women are presenting in Drop -in with multiple issues which typically include poverty and debt, housing issues and homelessness, drug and alcohol use alongside trauma caused by historic and ongoing sexual abuse and exploitation.

NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Referrals into our crisis service have also increased. This has meant that we have stopped CAP referrals for a time, in order to manage the clients we have whilst maintaining standards of support. CAP have been understanding partners and the increase in referrals from other organisations, including social services, GP's, Turning Point, charities and other mental health services, means that we are still processing referrals on a daily basis and the increase in pressure upon the service as a whole remains.

It is our conclusion that we are increasing the time we spend working with clients in order to 'hold' them as they are often presenting to us in acute mental health crisis. This is then recurring whilst they are in service, due to the complexity of their mental health and their day-to-day living difficulties.

Although this is hugely time-consuming work, it is rewarding to see the results of the intense package of support we are providing. The success of the work is borne out by the results of our Star assessments undertaken with clients. There has been significant increases across all areas of the Star outcomes and we are satisfied that this evidences both the quality and quantity of the work we have undertaken.

Outreach

This has continued to be undertaken by Avril two nights a week. She has forged strong relationships with the people she sees and they really do open up to her. This means she can encourage them to come to drop-in which is always a hurdle if they have not been before but they will also see a 'friendly face' if they do come in and she is in drop-in. 550 face to face contacts have been made on outreach. There have been some issues with increased policing in beat areas and the threat of prosecution and this will need to be taken into consideration so that we can understand where people are working and whether or not we need to adapt this part of the service. Daytime outreach stopped in the warmer months but will be reinstated as winter approaches.

Counselling Service

The counselling service has gone through a significant learning and development phase during this year and we now have introduced more robust recruitment policies and procedures for counsellors, regular meetings and updates and as a result we are retaining more counsellors after they have completed their training hours. This means we are building a team of more experienced counsellors who are able to work with our more complex clients. We are providing counsellors with additional specialist training to give them more understanding of the specialist issues particularly trauma, as a result of sexual abuse and exploitation relevant to our client group. Our induction process has improved with more counsellors gaining experience of our crisis, drop in and outreach services which has meant more cohesive working between counsellors and key workers within the service. We have further developed our assessment, allocations and waiting list protocols which have become more efficient and effective. The project currently employs 40 volunteer counsellors working face to face or remotely with clients.

The expansion of our counselling service has led to an additional administrative load on the charity.

Work with Young People

We have effectively engaged with and consistently worked with over 100 young people and almost all have had positive outcomes in at least one key area, whether that be through counselling, key worker support for practical needs or group work. Our CIN report helped us to measure the successes. Of 109 young people, 95 made significant progress in terms of feeling safer. All had shown significant improvement in their self-esteem. 84 had a significant improvement in their mental health. This has been evidenced by the young person's manager through case recordings e.g 1:1, group work and observations. From conversations with other professionals e.g. social workers, accommodation providers, teachers, drug workers and the police. and again, from Core and Star assessments. The relationship built with the young person's worker is a good example from the beginning of what a healthy relationship might look like and then this can be built on in group work and then will hopefully move out to their wider 'groups' and support networks. A lot of the work with young people in 1:1 sessions and counselling is about repairing 'damage' and trying to reinforce the understanding that the individual is not to blame and attempting to reverse the perpetuation of this idea that is being held within their belief system. If this can be achieved then self-esteem will naturally begin to build and leads on to much healthier relationships.

Multi-agency work

The local drug and alcohol service, Turning Point have maintained their sessions in the building and have continued to be able to support our most vulnerable clients by getting them scripted and then maintaining that script. This is an excellent example of how sustained partnership working can achieve good outcomes, even for our most complex clients who find engaging with support hugely problematic.

NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The mental health practitioner sessions have been curtailed for some time and unfortunately this is down to the mental health team being under enormous pressure and not having enough resources to cope. This illustrates the pressure on mental health services locally and how this impacts on voluntary services like ours.

We have recently added another session within the building to our multi-agency working. A sexual health nurse is now here weekly on a Thursday for 2 hrs in order to provide clients with an STI screening service. This is a relatively new addition to our service and the initial response has been fantastic with an immediate uptake in screening from the first session.

Probation workers continue to regularly meet with clients in our building as do social workers, staff from Changing Futures, domestic abuse services, police, etc. We continue to partnership work with many organisations and agencies on a day-to-day and multi-agency basis.

Publicity

We now have a former journalist from the Leicester Mercury assisting us with our website, social media and newsletter. This has certainly helped us to build a stronger social media presence and we are hopeful that it will help us to get the message out about who we are and provide examples of some of the work we do. It will need more time for us to ascertain what the long-term benefits of this will be but we are pleased with the progress so far.

Monitoring and Reports

Our ability to utilise Oasis in terms of running reports has improved after another year of learning how to maximise its functionality. We have more confidence now than 12 months ago that we can run a report and that this report will accurately detail the work that we are undertaking. Much of this has been down to staff learning how best to work within Oasis to 'close gaps' and fill in missing information in order to maximise the outputs.

Client participation and ownership

As always, this is uppermost in our thinking. The usual methods for this remain the same. Currently we are co-producing an additional development of work for our most 'at risk' clients e.g. those who self-harm, experience psychosis and suicidal thoughts. This is still in the planning stage but we are seeking to gain additional funding for this package of support. This is significant it comes from us reflecting on the learning we have undergone from previous service delivery and is being co-produced and led by a group of clients with recent lived experience.

Challenges

The housing crisis has worsened in Leicester city and that has had a terrible impact on our client group. We believe the current housing system is not fit for purpose and this belief is shared by our partner agencies and fellow professionals. It is of huge concern how this will play out this coming winter. It is difficult to measure the continued fall out from both Covid and the cost-of-living crisis but if the complexity of referrals is anything to go by then this impact is still being felt and is likely to continue for some time. The effect of these issues does increase the workload for charities such as ourselves because the time it takes to unpick and provide resolution to issues such as debt, rent arrears, lack of housing, etc. is exponential for everyone working this type of case. There has been an increase in people self-referring who are homeless and those who are requiring support around immigration and status. Again, this is hugely time-consuming area of work and is complicated by clients not having English as a second language.

Along with the increase in complexity, there has also been an increase in the numbers of women being referred and self-referring to us, most in significant crisis. We have made applications for additional funding to cope with this increase in demand. We have also decided that we needed to recruit additional staff immediately to ensure that the service we provide to clients remains safe and consistently of a high standard. A major challenge over the remaining grant period will be obtaining sufficient funding.

Financial review

The Board of Trustees recognise that for a number of years the charity has been operating in an extremely challenging set of circumstances with the austerity cuts that have taken place in recent times, as a whole, impacting greatly on New Future Project and so ultimately our service users. These financial constraints imposed upon us over a number of years have impacted the charity and as a result of this has limited the scope of services we have been able to provide. In addition the uncertainty created by the Covid-19 pandemic has an impact on our financial well being.

NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Our Income Funds are split between the unrestricted funds, and restricted funds. The statement of financial activities on page 9 summarises our position for the year. It shows a total income of £345,576 and expenditure of £383,069. This provides an overall deficit of £37,943. This is largely due to timing differences on our restricted funds, detailed later. The timing differences is mainly because of differences between when we receive income and when we spend it.

We started the year with total fund balances of £83,538 and had a deficit of £37,943 in the year which means we report in credit funds to carry forward of £46,045 on our unrestricted funds.

Unrestricted Funds

We started the year with fund balances of £50,538 on our unrestricted funds and report a deficit of £4,493 in the year which enables us to report funds to carry forward of £46,045. We raise additional funds, categorised as other income, in the accounts through our student placements, and training provided. This provided income of £24,578 in total. We continue to be indebted to our monthly appeal and other donations.

Restricted Funds

In respect of the total funds received a significant proportion of the charity's income was derived from restricted funds. We had some significant grant funding in the year which totalled £320,998 and had expenditure of £353,998 which meant we reported a deficit of £33,000 and we add this to our opening restricted funds reserve of £33,000 leaving an amount unspent at the year end of £nil.

We feel extremely fortunate to report we have 8 funders who support our work through restricted funds.

Children In Need

The National Lottery Reaching Communities Fund - several grants for projects.

The Samworth Foundation

Getting Help in Neighbourhoods

Awards for All

Postcode Places

Morrisons Foundation

Children In Need continue to support our Young people Services having supported us in the previous years and significant elements of our funding will provide support for up to four years to enable the charity to continue its vital work.

All funding was spent during the year. The long term financial position of the charity is looking far more promising thanks to the support of the above funders. The Board of Trustees are aware this funding will need to be supplemented in the future by other sources of income to enable the charity to continue into the long-term.

Reserves Policy

The charitable company's aim has always been to hold at least six months normal operational costs in reserves. Whilst the trustees wish to retain reserves of up to six months "normal costs" they acknowledge the difficulty in generating sufficient income in these challenging times and being able to maintain sufficient funds.

As a result of an internal review the charity has changed the policy to a desirable position where they are able to hold free reserves equivalent to three month's expenditure, for use to cover the work of the charity in the event that funding should cease.

The trustees estimate normal ongoing annual costs to be between £300,000 and £400,000 per year. The trustees estimate that reserves at a level of approximately £75,000 would ensure that, in the event of a significant drop in funding, the charity would be able to continue the current activities while consideration is given to ways in which additional funds may be raised.

Therefore, the trustees believe the charity is not in a position of comfort to deal with any short-term financing problems resulting from a loss of funding because of the level of reserves currently held.

Due to the nature of the funding and the need to discharge our charitable activities we have been unable to retain the level of reserves we desire but we are working towards that aim.

NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The charity had closing free reserves of £46,045 as at the 31 March 2023 down from £50,538 in 2022 – all held in unrestricted funds. We do not count the restricted funds held as this has often occurred from a timing difference between receipt of funds and expenditure.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees have a risk management strategy which comprises: an annual review of the risks the charity may face; the establishment of systems and procedures to mitigate those risks identified in the plan; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise. This work has identified only a few minor new risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. Particular attention has focussed on non-financial risks arising from fire, health and safety and food hygiene.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

We will continue to approach funders to fund projects which significantly improve the lives of our clients, building on our considerable success in this area of work and developing partnerships with funders which are meaningful and support our preferred direction and priorities.

Now that the future of the charity is more secure, our plans are to take advantage of our more independent status and to continue to develop the organisation to deliver services most appropriate to our service users.

Plans for future periods

The environment that we are working in is challenging and the effects of the pandemic are still being felt and will be for many years to come. We will continue to adapt our service to meet our clients needs, which includes developing our counselling and mental health services and broadening the scope of the charity services to all women who have experienced sexual abuse and exploitation.

Structure, governance and management

The New Futures Project Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 3rd September 2003 and amended to allow for current governance arrangement on 25th November 2005.

It is registered as a charity with the Charity Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

N Roscoe

V Holden (Chair)

C Riozzi

(Resigned 24 October 2023)

Membership of the Charity is open to any individual interested in promoting the Objects who applies to the Charity in the form required by the Trustees and is approved by the Trustees, has completed the prescribed training course, or is a consultant member or a female beneficiary, signs the Register of members or consents in writing to become a member.

The board of trustees, which can have up to 15 members, administers the charity. The trustees form a management committee that ensures the appropriate governance of the charity. They meet approximately every 6 weeks.

During the year the board welcome some external advisors to the management committee. We identified 3 consultants in Gloria Carr, Paula McManus, and Rose Nguku who will be invited to become trustees in the near future.

The management committee works closely with staff members.

NEW FUTURES PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

All trustees, are elected by majority vote at the AGM. The trustees have the power to co-opt further members to fill specialist roles. Co-opted member may vote only up to the next AGM, where they must face election. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

None of the trustees has any beneficial interest in the company.

The trustees report was approved by the Board of Trustees.

V Holden (Chair)

Trustee

14 December 2023

NEW FUTURES PROJECT

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NEW FUTURES PROJECT

I report to the trustees on my examination of the financial statements of New Futures Project (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Thomas Mayfield BA ACA

Mayfield & Co
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Dated: 14 December 2023

NEW FUTURES PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2023	2023	2023	2022	2022	2022
	Notes	£	£	£	£	£	£
<u>Income and endowments from:</u>							
Donations and legacies	3	24,578	320,998	345,576	75,625	298,193	373,818
Other income	4	-	-	-	15,449	-	15,449
Total Income		24,578	320,998	345,576	91,074	298,193	389,267
<u>Expenditure on:</u>							
Charitable activities	5	29,071	353,998	383,069	117,026	350,647	467,673
Net expenditure for the year/ Net movement in funds		(4,493)	(33,000)	(37,493)	(25,952)	(52,454)	(78,406)
Fund balances at 1 April 2022		50,538	33,000	83,538	76,490	85,454	161,944
Fund balances at 31 March 2023		46,045	-	46,045	50,538	33,000	83,538

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW FUTURES PROJECT

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		6,900		10,500
Current assets					
Debtors	11	85,381		26,239	
Cash at bank and in hand		3,181		53,683	
		88,562		79,922	
Creditors: amounts falling due within one year					
	13	(49,417)		(6,884)	
Net current assets			39,145		73,038
Total assets less current liabilities			46,045		83,538
			<u>46,045</u>		<u>83,538</u>
Income funds					
Restricted funds	15	-			33,000
Unrestricted funds		46,045			50,538
		46,045			83,538
		<u>46,045</u>			<u>83,538</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14 December 2023

N Roscoe
Trustee

Company registration number 04886192

NEW FUTURES PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(50,502)		(99,935)
Investing activities					
Purchase of tangible fixed assets		-		(10,800)	
Proceeds from disposal of tangible fixed assets		-		33,215	
Net cash (used in)/generated from investing activities			-		22,415
Financing activities					
Payment of obligations under finance leases		-		(10,011)	
Net cash used in financing activities			-		(10,011)
Net decrease in cash and cash equivalents			(50,502)		(87,531)
Cash and cash equivalents at beginning of year			53,665		141,196
Cash and cash equivalents at end of year			3,163		53,665
Relating to:					
Cash at bank and in hand			3,181		53,683
Bank overdrafts included in creditors payable within one year			(18)		(18)

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

New Futures Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 71 London Road, Leicester, LE2 0PE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 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 are allocated on the portion of the asset's use.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor vehicles	33.3% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 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 measures at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in an interest bearing deposit account.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	-	-	-	1,162	-	1,162
Grants receivable	24,578	320,998	345,576	74,463	298,193	372,656
	24,578	320,998	345,576	75,625	298,193	373,818
Donations and gifts	-	-	-	826	-	826
Donations received	-	-	-	336	-	336
Monthly appeal income	-	-	-	1,162	-	1,162

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3	Donations and legacies	(continued)				
	Grants receivable for core activities					
	Morrison's Foundation	-	24,900	24,900	-	-
	Postcode Places	-	24,647	24,647	-	-
	Children in Need	-	38,500	38,500	-	60,733
	National Lottery - Reaching Communities	-	118,179	118,179	-	58,431
	Getting Help in Neighbourhoods	-	49,996	49,996	-	-
	Awards for All	-	9,776	9,776	-	-
	Samworth Foundation	-	55,000	55,000	-	111,049
	HMRC Covid Job Retention Scheme	-	-	-	57,273	57,273
	Leicester City Council	23,828	-	23,828	-	-
	Ashiana Sheffield	750	-	750	-	-
	Other	-	-	-	17,190	85,170
		<u>24,578</u>	<u>320,998</u>	<u>345,576</u>	<u>74,463</u>	<u>372,656</u>

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Other income

	Total	Unrestricted funds
	2023	2022
	£	£
Net gain on disposal of tangible fixed assets	-	15,449
	<u> </u>	<u> </u>

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	Unrestricted charitable expenditure	Restricted charitable e xpenditure	Total 2023	Unrestricted charitable expenditure	Restricted charitable e xpenditure	Total 2022
	2023	2023		2022	2022	
	£	£	£	£	£	£
Staff costs	-	216,600	216,600	58,435	196,880	255,315
Depreciation and Impairment	3,600	-	3,600	300	-	300
Staff training and expenses	-	6,124	6,124	4,748	24,948	29,696
Travel expenses	-	22,028	22,028	14,756	3,600	18,356
Rent and rates	1,160	16,436	17,596	10,500	7,000	17,500
Building repairs, equipment repairs and cleaning	9,374	9,227	18,601	6,762	-	6,762
Light and heat	357	5,733	6,090	1,532	3,004	4,536
Insurance	186	2,891	3,077	4,496	10	4,506
Office equipment and expenses	6,705	18,195	24,900	10,897	15,788	26,685
Miscellaneous expenses	2,145	-	2,145	1,090	-	1,090
External counselling	-	34,403	34,403	-	51,471	51,471
Penalties and interest	-	-	-	189	-	189
Hire purchase interest	-	4,662	4,662	554	-	554
Drop In, Hardship and Prison Outreach expenses	-	13,689	13,689	-	22,970	22,970
Bank charges	-	-	-	267	-	267
	23,527	349,988	373,515	114,526	325,671	440,197
Share of governance costs (see note 6)	5,544	4,010	9,554	2,500	24,976	27,476
	29,071	353,998	383,069	117,026	350,647	467,673
Analysis by fund						
Unrestricted funds	29,071	-	29,071	117,026	-	117,026
Restricted funds	-	353,998	353,998	-	350,647	350,647
	29,071	353,998	383,069	117,026	350,647	467,673

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	-	4,010	4,010	22,976
Independent examiner fees	-	3,972	3,972	4,500
Accountancy	-	1,500	1,500	-
Software Costs	-	72	72	-
	<u>-</u>	<u>9,554</u>	<u>9,554</u>	<u>27,476</u>
Analysed between				
Charitable activities	-	9,554	9,554	27,476
	<u>-</u>	<u>9,554</u>	<u>9,554</u>	<u>27,476</u>

Governance costs includes payments to the independent examiners of £5,472 (2022- £4,500) for examination fees.

7 Trustees

No trustee was remunerated for their services or were reimbursed any expenses.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	6	9
Governance costs	1	1
Total	<u>7</u>	<u>10</u>

Employment costs	2023 £	2022 £
Wages and salaries	<u>220,610</u>	<u>278,291</u>

No employee is allocated entirely to governance; an assessment of part of each employee's involvement in governance has been used as the basis for determining the above apportionment of costs.

There were no employees whose annual remuneration was more than £60,000.

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

10 Tangible fixed assets

	Motor vehicles £
Cost	
At 1 April 2022	10,800
At 31 March 2023	10,800
Depreciation and impairment	
At 1 April 2022	300
Depreciation charged in the year	3,600
At 31 March 2023	3,900
Carrying amount	
At 31 March 2023	6,900
At 31 March 2022	10,500

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	65,000	-
Other debtors	17,453	23,059
Prepayments and accrued income	2,928	3,180
	85,381	26,239

12 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	18	18
Payable within one year	18	18

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	12	18	18
Other taxation and social security		10,008	927
Other creditors		33,919	2,159
Accruals and deferred income		5,472	3,780
		<u>49,417</u>	<u>6,884</u>

14 Unrestricted funds

	Movement in funds			Movement in funds			Balance at 31 March 2023 £
	Balance at Income 1 April 2021 £	Expenditure £	£	Balance at Income 1 April 2022 £	Expenditure £	£	
General Fund	76,490	91,074	(117,026)	50,538	24,578	(29,071)	46,045
	<u>76,490</u>	<u>91,074</u>	<u>(117,026)</u>	<u>50,538</u>	<u>24,578</u>	<u>(29,071)</u>	<u>46,045</u>

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 March 2023
	Balance atIncome	Expenditure		Balance atIncome	Expenditure		
	1 April 2021			1 April 2022			
	£	£	£	£	£	£	£
Children in Need	-	60,733	(60,733)	-	38,500	(38,500)	-
National Lottery - Reaching Communities	85,454	58,431	(143,885)	-	118,179	(118,179)	-
Samworth Foundation	-	111,049	(78,049)	33,000	55,000	(88,000)	-
Getting Help in Neighbourhoods	-	20,000	(20,000)	-	49,996	(49,996)	-
Awards for all Postcode Places	-	25,000	(25,000)	-	9,776	(9,776)	-
	-	22,980	(22,980)	-	24,647	(24,647)	-
Morrisons Foundation	-	-	-	-	24,900	(24,900)	-
	85,454	298,193	(350,647)	33,000	320,998	(353,998)	-

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Tangible assets	6,900	-	6,900	780	9,720	10,500
Current assets/(liabilities)	39,145	-	39,145	49,758	23,280	73,038
	46,045	-	46,045	50,538	33,000	83,538

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	13,529	14,536

NEW FUTURES PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17	Operating lease commitments		(Continued)
	Between two and five years	4,135	35,594
		<u>17,664</u>	<u>50,130</u>

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	40,101	39,881
	<u>40,101</u>	<u>39,881</u>

19 Company limited by guarantee

New Futures Project is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

20	Cash generated from operations	2023	2022
		£	£
	Deficit for the year	(37,493)	(78,406)
	Adjustments for:		
	Gain on disposal of tangible fixed assets	-	(15,449)
	Depreciation and impairment of tangible fixed assets	3,600	300
	Movements in working capital:		
	(Increase) in debtors	(59,142)	(9,646)
	Increase in creditors	42,533	3,266
	Cash absorbed by operations	<u>(50,502)</u>	<u>(99,935)</u>

21 Analysis of changes in net funds

The charity had no debt during the year.

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