

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021**

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<b>Trustees</b>	Paul Hoey, Chair (resigned 31 January 2021) Stephen Lock, Vice Chair Neil Lawrence, Treasurer Andrew Warren (resigned 30 September 2020) Elizabeth Wiggins, Chair from 1 February 2021 (appointed 16 November 2020) Richard Capper Gregory Gibson Margaret Wade Lorinea Lain-Rogers Alison Lamont Keith James Jacqueline Higham
<b>Company registered number</b>	6388343
<b>Charity registered number</b>	1122801
<b>Registered office</b>	70-80 Oak Street Norwich Norfolk NR3 3AQ
<b>Company secretary</b>	Andy Sexton
<b>Chief executive officer</b>	Andy Sexton
<b>Independent auditors</b>	Larking Gowen LLP Chartered Accountants King Street House 15 Upper King Street Norwich NR3 1RB
<b>Bankers</b>	Lloyds Bank Plc Norwich NR2 1LZ
<b>Solicitors</b>	Birketts LLP Kingfisher House Gilders Way Norwich NR3 1UB

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**THE MATTHEW PROJECT**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### **Objectives and activities**

#### **a. Purposes and aims**

For 37 years, the Matthew Project has been supporting children and adults affected by substance misuse in the East of England. Over this time, we have built up a reputation for delivering high quality, effective services, focusing on both prevention, treatment and recovery.

The Charity's objects (the "Objects") are:

For the benefit of young people and adults in the East of England and elsewhere by:

- (a) advancing education and
- (b) providing counselling, advice, information, support services and other assistance for those in need with the aim of improving their physical, emotional, mental and spiritual well-being.

### **Achievements and performance**

#### **a. Main achievements of the company**

Over the past year, the Matthew Project's services have been more important than ever in supporting people affected by substance misuse and mental health issues across the East of England. We have worked with over 1,200 people directly, and hundreds more indirectly, through our varied programmes and services, including: offering information and advice, counselling, one-to-one support, and life coaching, on both a one-to-one and group basis, using face-to-face, telephone, and digital channels.

We work alongside our beneficiaries to prevent or reduce substance misuse, build confidence self-esteem and address mental health issues, and help people to reintegrate back into everyday life, including, in many cases, supporting them with education and employment. By doing this we benefit not only our service users, but society as a whole. Our beneficiaries achieve improved physical and mental health, better relationships with others, and overall better quality of life, along with access to more opportunities. Society benefits from a reduction in criminal activity, a reduced burden on health services, better relationships, and improvements in employment rates for those who would otherwise likely be jobless.

Our achievements over the past year have also helped us in working towards our long-term goals, which include:

- Being a trusted provider of substance misuse services across East Anglia, and providing excellent care and service for our beneficiaries.
- Widening our sources of funding in order to sustain and continue to develop our charitable services.
- Continuing to support and develop our team with training and volunteer development opportunities, because the Matthew Project is a great place to work.
- Supporting the hardest to reach.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Achievements and performance (continued)**

Unsurprisingly, the charity's activities in 2020/21 have been shaped, in large part, by the Covid-19 pandemic, particularly in regards to:

- Adapting support and working practices to ensure the safety of beneficiaries and staff
- Meeting emerging and changing needs brought about by Covid-19
- Ensuring that learning and adaptations from Covid-19 are incorporated into future plans

The Matthew Project has adapted its services, enabling us to support our beneficiaries throughout the pandemic, whilst ensuring the safety of staff and clients. These adaptations include:

- Remote support: via telephone calls, video calls, and text messaging.
- Welfare checks: face-to-face welfare checks were carried out when necessary while adhering to social distancing guidelines.
- Care packages: delivering welfare packages (including food and wellbeing items) to beneficiaries across Norfolk and Suffolk.
- Online support: through videos (e.g. life skills i.e. cooking tutorials), social media groups, and online quizzes and activities.
- Next Steps: the introduction of separate zones, smaller groups with staggered timings, and increased focus on PPE and modifications to ensure distancing. In addition, we offered remote support when necessary, including sessions delivered via web based video link, videos, one-to-one support, and activities, allowing the project and support to continue, albeit in an adapted format, until face-to-face support was able to recommence.

**b. Future developments**

As we emerge from the Covid-19 pandemic, there are things we have learnt and changes we have made that will become integrated into our working practices.

The main three things are:

1. Face-to-face support across our services, will now be enhanced by digital and phone-based provision, and this digital provision will be developed
2. Staff will work from home, as well as our offices
3. All our Norwich-based teams will move into our offices on Oak St and start hybrid-working from this space in 2021

The Board continues to review its own working practices and, with the CEO and staff, refresh the Mathew Project's vision, mission, ethos and branding, and revisit our strategic direction (which was approved pre-Covid). This will include, but won't be limited to, continuing to increase our community fundraised income, as well as funding from Trusts and Foundations, and creating new partnerships.

We have signed off on an exciting pilot initiative with Norfolk and Suffolk Foundation Trust and Walking with the Wounded to provide an even stronger service to veterans with PTSD and substance misuse issues. We plan to build on this model and partnership, to strengthen our work supporting military veterans and their families across the East of England.

We have been invited to continue to run the service supporting young people affected by substance misuse issues for a further two years until 2024.

We will further enhance our recovery-support offer at our award-winning Next Steps recovery centre, with the employment of two interns, a workshop manager, and two new recovery workers (based in West and East Norfolk to give County-wide support). In addition, we will introduce the SMART recovery programme to Norfolk.

The two new recovery workers are funded by Norfolk County Council Public Health and will complement the workers who have been employed as part of Project ADDER; the whole-system approach to reducing drug deaths and reducing drug related crime in Norfolk.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Achievements and performance (continued)**

Given the impact of Covid-19 on youth mental health, and the clear link between mental health issues and substance misuse, we plan to increase our work across the County in prevention forming a new team called Early Intervention (merging our Youth and Families and Bounce Back teams). This will include continuing to ensure the Matthew Project is at the forefront of support for young people into employment through the work of OnTrack.

**c. Our services**

The Matthew Project provides a range of services for adults and young people across the East of England. These include:

**Young people's services**

**Unity**

Unity offers vital support for children and young people across Norfolk. Funded by Norfolk County Council's Public Health department, the service supports under-19s experiencing substance misuse issues, as well as those affected by somebody else's substance misuse (such as a parent, a guardian, or another close family member).

Throughout what has been a challenging year, Unity staff have continued to provide high quality support to young people across Norfolk. Staff switched to home working and interacting with clients using remote methods, whilst still engaging in face-to-face support with the most vulnerable. Notable achievements have included a secondee from Norfolk County Council Children's Services and success within the Tech for Good programme, which has resulted in Unity being able to develop a digital offer which will appeal to young people and increase engagement. The City and South team relocated to Next Steps, and the lease at Pottergate was relinquished, which will deliver a significant saving.

As the year has progressed, focus widened to include preparations for the retender of the contract, with a strong bid writing and project management team working closely with the Unity management team. However, The Matthew Project were in the end awarded a further two-year extension. Referrals have remained strong throughout the pandemic, with between 30% and 40% now coming from within Children's Services, which reflects the way in which Unity has realigned its working practices in order to meet Commissioner expectations.

Over the past 12 months, Unity has supported a total of 302 young people across Norfolk. This includes: 179 affected others (those affected by a family member's substance misuse); and 123 substance misuse clients.

**Youth and Families Team**

The Matthew Project's Youth and Families Team pilots innovative new projects and services, and supports young people across Norfolk. Over the past year, the team received funding from Anguish's Educational Foundation to work in schools in the Norwich area.

The last year has been a turbulent one as a result of the Covid-19 pandemic. From April 2020 to April 2021 our Universal Schools worker, Gina Summerskill, was on Furlough. This work has now resumed.

Considering how slow it has been re-engaging with schools this academic year our perseverance, re-design and new funding has paid off. However, schools are still keen to work with us, and we have received so many requests to deliver sessions on site this term, that we are now taking bookings for the Autumn Term.

Over the year, the service has supported 35 young people aged 16-25 years, one-to-one with their overall mental health, wellbeing, and substance use, as well as running 4 of our newly-designed Covid-19 wellbeing programmes to small groups of young people within school settings.

**On Track**

On Track is an employability service aimed at facilitating disengaged young people across Norfolk into education, training, and employment. The project gives these young people the skills they need for employment, education or training, as well as the self-confidence and belief that they can achieve their goals.

On Track is funded by the National Lottery through the Community Fund and the European Social Fund as part of the 2014-2020 European Structural and Investment Funds Growth Programme in England. The service brings together five

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**TRUSTEES' REPORT (CONTINUED)**  
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**Achievements and performance (continued)**

organisations in a unique partnership led by The Matthew Project, and working alongside GYROS, NANSA, YMCA Norfolk, and the Prince's Trust.

In the last year, despite the pandemic, 126 young people in Norfolk joined On Track. Of the 127 who left the project, 67 moved into employment, education, and training. Nearly all young people who leave On Track, report feeling more able to access the support they need to progress towards their goals, and 86 reported improved levels of self-esteem and self-confidence.

The service was successful in securing an additional £552,299.24 for another 9 months of delivery. The delivery end date for the project is now 31 March 2023.

**Bounce Back Team**

The Bounce Back team supports young people with low-level and escalating mental health issues or who are at risk of County Lines involvement. We offer a preventative service, intervening before young people need more specialist services, resourcing them, and empowering them to obtain help and take control of their own mental health. Early intervention can help to have a lasting and positive effect on young people.

Over the past year, we have provided:

- One-to-one support for 63 young people
- Webinars to 20 parents on wellbeing support for their young people, as well as 6 one-to-one tailored sessions
- Two well-being days where we supported 77 young people with anxiety through mindful mindfulness and solution-focused methods.
- 60 teachers attended our webinars on supporting young people during the pandemic.
- 433 young people from schools in West and North Norfolk attended our wellbeing webinar.

**Adult services**

**The Next Steps Recovery Centre**

Funded by Public Health England and Norfolk County Council Public Health, along with a wide range of trusts and foundations, companies, and individual donors, the Next Steps recovery centre, based in central Norwich, is Norfolk's first ever community recovery hub. The new £1m+ centre officially opened in October 2019, following a year's worth of building and refurbishment work.

Next Steps is a unique for Norfolk recovery centre, providing a safe space for those in recovery from addiction to learn new skills, build new friendships, and maintain their recovery. The centre also provides additional support for affected others, veterans, and NEET young people. Despite the difficulties posed by Covid-19, we have not only maintained face-to-face support in all but the first lockdown, but have also grown our service offering. Key to this has been adapting our services from a centre-based model to include outreach over the telephone and digitally, with sessions run over Zoom and community groups meeting virtually through closed social media groups.

The core of Next Steps is the Recovery Support Programme (RSP), a programme of therapeutic and skills support based at the centre. Following participation in the RSP, people are able to access work-ready training and support into paid work or volunteering. Drop in activities are offered to enable people to further their development of recovery capital and continued connection with a recovery community.

At the latter end of the year we were delighted to be invited to join a whole-system multi-agency project called Project Adder, supporting prolific offenders in Greater Norwich and across Norfolk with targets to reduce drug related crime and drug related deaths.

Over the year, Next Steps achieved the following:

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**TRUSTEES' REPORT (CONTINUED)**  
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**Achievements and performance (continued)**

- Calls made during lockdown: 1,807
- Drop-Ins delivered from September 2020 onwards: 185
- Drop-Ins attendees from September 2020 onwards: 369
- Hub interactions from September 2020 onwards: 590
- Courses run since September 2020: 4
- Attendees joining the RSP: 43
- Completing the RSP: 26

**Outside the Wire**

Since its launch in 2013, Outside the Wire has helped hundreds of veterans, current serving personnel, and close family members across Norfolk, Suffolk, and Essex. Outside the Wire is run by veterans, helping to create more effective, tailored support for those affected by drug/alcohol misuse and/or PTSD.

Outside the Wire takes a holistic approach, also focusing on additional issues including homelessness, financial problems, employment, court appearances, and family relationships. Outside the Wire is made up of a team of seven staff, working across Norfolk, and Suffolk, and Essex,

The past year has been dominated by the Covid-19 pandemic, and the effects it has had on our clients' mental health and general wellbeing. The team has worked extremely hard to ensure that all our clients have been supported throughout this difficult period, and from the feedback gathered, this support has been achieved to a very high standard.

Last year, OTW supported over 140 clients and 55 affected others, with over 80 veterans attending our veteran support groups across Norfolk and Suffolk.

OTW are excited to be part of a new initiative starting in July called the Veteran's Integrated Service in partnership with Norfolk and Suffolk Foundation Trust and Walking with the Wounded.

**d. Volunteers**

Over the past year we received 143 serious enquiries about volunteering; despite lockdown this is only down 6 from the previous 12-month period. At the end of April 2021, we had 34 active volunteers (excluding Trustees and Peer Mentors) throughout the charity, with volunteers within every team. Roles include befrienders, receptionists, group facilitators, events and fundraising support, the St George's team helping at the drop-in coffee morning, kitchen support, and admin roles. We have also supported Social Work, Occupational Therapy, Psychology and Physiotherapy students from the UEA with placements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Financial review**

**a. Financial review**

The financial statements are set out on pages 16 to 39.

Income for the year was £2,112,258 (2020 - £2,222,531) and of this £1,958,905 (2020 - £1,799,860) came from grants and contract income.

Resources expended for the year amounted to £2,003,079 (2020 - £1,932,721). This has been a hugely challenging year, with COVID 19 restricting many of our activities. Despite this, we have closed the year with an operating surplus, albeit, that this is in part due to government support through the furlough scheme.

The work of the Charity consists mainly of providing advice and support, and this is reflected in staff costs which form approximately 66% of total gross expenditure.

Net movement in funds for the year was a surplus of £109,179 (2020 – £289,810).

**b. Reserves policy**

Note 16 shows the movement in all the charity's funds in the year. An explanation of the nature and purpose of restricted funds is also given.

**Restricted Funds**

The balance of funds at 1 April 2020 was £1,069,733. Incoming resources for the year totalled £1,964,172 (2020 - £2,128,732) which included £1,482,952 (2020- £1,424,686) towards working with Young Persons and £481,220 (2020 - £704,046) towards Adult Services.

Resources expended totalled £1,836,386 (2020 - £1,831,025). The balance was £1,272,317 on restricted funds at 31 March 2021.

**Unrestricted Funds**

The opening balance on the general fund at the beginning of the year was £758,188. Incoming resources totalled £148,086 (2020 - £93,799) and resources expended totalled £164,917 (2020 - £101,696) giving a deficit of £16,831 (2020 – deficit of £7,897) for the year. The balance was £664,783 at 31 March 2021.

The Trustees review the reserves policy on an ongoing basis at bi-monthly finance committee meetings. In determining the level of unrestricted reserves required, the Trustees have taken into account:

- Working capital requirements: as payments under several major contracts are now made in arrears there is a need to maintain sufficient working capital to finance the on-going expenditure and also build up working capital in anticipation of winning additional major contracts.
- Expenditure which might arise if a major contract is lost: this would mainly relate to the levels of central overheads that could be recovered (with the potential requirement to reorganise parts of The Matthew Project) and the costs of vacating premises that would no longer be required.
- Expenditure required to continue to support a service where the funding has reduced and further funding is being sought.
- Investment in consultancy to support bids for new services
- Investment in buildings and IT.
- Investment in professional development.
- An allowance for exceptional maintenance costs of buildings and equipment.
- Other potential risks as identified in the Risk Register.
- The need for a contingency to cover unforeseen events.

The target for unrestricted reserves is £500,435 and this compares with unrestricted funds at 31 March 2021

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**TRUSTEES' REPORT (CONTINUED)**  
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which amounted to £664,783. Excluding £41,908 of fixed assets within unrestricted funds, reserves therefore amounted to £622,875.

The Trustees are satisfied that the Charity will have adequate funds available to fulfil its obligations for the year ended 31 March 2021.

**c. Material investments policy**

The Trustees have considered the most appropriate policy for investing funds. They have concluded that holding monies in bank treasury deposit and COIF deposit accounts meets the requirements to generate income whilst minimising risk and maintaining liquidity. Investment returns were low as a result of the low Bank of England Base Rate which has remained at 0.4% throughout the year. Given the nature of this investment the Trustees will be reviewing where these funds are held for ease of access and rate of return.

**d. Fundraising**

Under Section 13 of the Charities (Protection and Social Investment) Act 2016, charities that are subject to audit must make specific statements in their annual reports that provide information about their fundraising standards. Accordingly, the Trustees make the following statements in compliance with the requirements of the Act:

- i. All fundraising activities have been undertaken by the employees of the Charity or by supporters who have chosen The Matthew Project as their nominated charity for fundraising purposes. The Charity has not used a professional fundraiser or commercial participator during the year ended 31 March 2020.
- ii. The Charity is not currently a member of the Fundraising Standards Board. However, the Charity complies with the Code of Fundraising Practice.
- iii. In the past year there have been no instances where the Charity has failed to comply with the requirements and a complaint made.
- iv. The Charity continually reviews and monitors activities involving fundraising carried out by internal staff.
- v. There have been no complaints received by the Charity or any person acting on its behalf about activities by the Charity or by a person on behalf of the Charity for the purpose of fundraising.
- vi. The Charity has protected vulnerable people and other members of the public from behaviour constituting:
  - a) Unreasonable intrusion on a person's privacy
  - b) Unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the Charity, or
  - c) Placing undue pressure on a person to give money or other property, in the course of, or in connection with, such activities by avoiding the use of any fundraising practices that may be considered to give effect to such behaviours.

The Charity actively promotes and markets its fundraising events and activities; however, it is entirely a voluntary matter for individuals, groups or businesses to decide whether they wish to participate in events or make donations.

**e. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management**

**a. Constitution**

The charity was incorporated as a company limited by guarantee on 2 October 2007, and on 1 April 2008 took over the assets, liabilities, and undertakings of The Matthew Project (an unincorporated charity established by a trust deed dated 9 March 1982).

The charity's Trustees, who are members of the board of directors, are detailed on page 3.

**b. Methods of appointment or election of Trustees**

Trustees are elected at the annual general meeting for a term of three years. They are recruited from various professions and backgrounds to contribute to the effective governance of the charity. Trustees are recruited through a variety of means including advertising through websites, responding to interest, and approaching relevant professional and voluntary organisations. Each Trustee receives a Trustee Handbook, a role description, and a thorough induction package which involved meeting members of staff and observing the work of the charity. Trustees attend regular training and update sessions concerning governance facilitated by local providers. The Matthew Project is grateful to the Trustees for their hard work and commitment.

In the past year Trustees have taken responsibility for specific governance areas based on their particular skills and expertise, including:

- Ethos
- Performance
- Finance
- Safeguarding
- Compliance and legal
- Volunteers
- Training
- ICT

Action continues to be taken to recruit Trustees with specialist knowledge and experience of substance misuse and social work; and governance of charitable organisations. The Trustees have also taken action to raise their profile and understanding of the work of the Matthew Project by attending a range of events and visiting teams in their various workplaces.

At the end of January 2021, Paul Hoey retired from being Chair, having also served as a Trustee for many years. His outstanding service to the charity were acknowledged. The Trustees advertised for his replacement and were pleased to appoint, after an interview process, Liz Wiggins, who brings to the Trustees a wealth of experience including running her own consultancy in managing change and leadership.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management (continued)**

**c. Governance and management**

The Trustees are responsible for the overall governance of the charity and its strategic direction and development with the Chief Executive Officer and the senior management team. Aspects of this, including the day-to-day management and development of the charity, are delegated to the CEO and the management team. Trustees have areas of responsibility and a working group method has been adopted to address key tasks and areas of work, which also involves relevant staff members. Regular reports are produced for the Trustees every two months.

Over the past year, the Board has met bi-monthly. At each meeting the Board considers the finances of the Charity, considers risk and safety of the organisation, and receives a report from the Chief Executive Officer, as well as reports from each of the Projects. During the year, the Board formalised a Operational Governance sub-group, consisting of Board members, the Chief Executive Officer, and managers of the Projects. The purpose of this Group is to help Trustees fulfil their overall responsibility in relation to day-to-day operational governance and safeguarding. The purpose is to continuously improve the quality of services and to maintain a high standard of care.

**d. Pay policy for senior staff**

The remuneration for senior staff is determined by the Board of Trustees. Remuneration is subject to periodic market reviews and independent evidence and advice is obtained to inform the decision-making process, before any changes are made. Any proposed changes will be recommended to the Board of Trustees for consideration and approval.

In addition, the remuneration for senior staff will be subject to annual review as part of the organisation's evaluation of pay inflation and consequential recommendations to the Board of Trustees to make a pay award, if any.

The Trustees received no remuneration for their time during the year.

**e. Risk assessment**

The Trustees have, during the year, continued to review the major risks to which the charity is exposed and to establish systems to mitigate those risks identified not already covered by the charity's existing systems and risk management strategies and controls. This is designed to minimise any potential impact to the Charity and its beneficiaries, should these risks materialise. All potential new services are assessed through a risk management process. This includes a periodical review of the risk register.

**f. Public benefit**

Under the Charities Act, the Trustees are required to report on the extent to which The Matthew Project has provided public benefit during the year. The Charity Commission guidance recommends that this should be reported by means of: a review of significant activities; details of aims and objectives; strategies adopted and activities undertaken to achieve aims and objectives; and achievements by reference to aims and objectives.

We report on the above four areas in detail in the sections headed 'our aims and objectives' and 'achievements and performance'. The Trustees consider that the operations of The Matthew Project during the year were in accordance with general charitable principles and the charitable purposes set out in the Memorandum and Articles of Association and were wholly for the benefit of the public.

**g. Trustees' indemnities**

The charity has purchased professional indemnity insurance on behalf of the Trustees.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company 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 company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

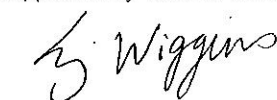
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
**Elizabeth Wiggins**  
(Chair of Trustees)  
Date: 20 September 2021

.....  
**Neil Lawrence**  
Treasurer

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATTHEW PROJECT**

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**Opinion**

We have audited the financial statements of The Matthew Project (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**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.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATTHEW PROJECT (CONTINUED)**

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**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 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 charitable company 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.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATTHEW PROJECT (CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Due to the field in which the Charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: healthy and safety; employment laws; GDPR, safeguarding, serious incident reporting and compliance with the UK Companies Act.

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:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATTHEW PROJECT (CONTINUED)**

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**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.

*Larking Gower*

**Giles Kerkham FCA (Senior statutory auditor)**

for and on behalf of

**Larking Gower LLP**

Chartered Accountants

Statutory Auditors

King Street House

15 Upper King Street

Norwich

NR3 1RB

Date: *7 October 2021*

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	101,986	25,692	127,678	414,050
Charitable activities	5	20,425	1,938,480	1,958,905	1,799,860
Other trading activities	6	25,421	-	25,421	6,206
Investments	7	254	-	254	2,415
<b>Total income</b>		<b>148,086</b>	<b>1,964,172</b>	<b>2,112,258</b>	<b>2,222,531</b>
<b>Expenditure on:</b>					
Raising funds	8	2,951	242	3,193	3,387
Charitable activities		161,966	1,837,920	1,999,886	1,929,334
<b>Total expenditure</b>		<b>164,917</b>	<b>1,838,162</b>	<b>2,003,079</b>	<b>1,932,721</b>
<b>Net (expenditure)/income</b>					
Transfers between funds	18	(16,831) (76,574)	126,010 76,574	109,179 -	289,810 -
<b>Net movement in funds</b>		<b>(93,405)</b>	<b>202,584</b>	<b>109,179</b>	<b>289,810</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		758,188	1,069,733	1,827,921	1,538,111
Net movement in funds		(93,405)	202,584	109,179	289,810
<b>Total funds carried forward</b>		<b>664,783</b>	<b>1,272,317</b>	<b>1,937,100</b>	<b>1,827,921</b>

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

The notes on pages 19 to 39 form part of these financial statements.

**THE MATTHEW PROJECT**  
(A company limited by guarantee)  
REGISTERED NUMBER: 6388343

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	1,002,307	1,012,661
Investments	14	1	1
		<u>1,002,308</u>	<u>1,012,662</u>
<b>Current assets</b>			
Debtors	15	38,899	143,318
Cash at bank and in hand		1,248,866	957,790
		<u>1,287,765</u>	<u>1,101,108</u>
Creditors: amounts falling due within one year	16	(337,973)	(285,849)
<b>Net current assets</b>		<u>949,792</u>	<u>815,259</u>
Provisions for liabilities		(15,000)	-
<b>Net assets excluding pension asset</b>		<u>1,937,100</u>	<u>1,827,921</u>
<b>Total net assets</b>		<u><u>1,937,100</u></u>	<u><u>1,827,921</u></u>
<b>Charity funds</b>			
Restricted funds	18	1,272,317	1,069,733
Unrestricted funds	18	664,783	758,188
<b>Total funds</b>		<u><u>1,937,100</u></u>	<u><u>1,827,921</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....  
**Elizabeth Wiggins**  
(Chairman)

Date: 20 September 2021

.....  
**Neil Lawrence**  
Treasurer

The notes on pages 19 to 39 form part of these financial statements.

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash generated in operating activities	326,754	124,994
<b>Cash flows from investing activities</b>		
Interest received	254	2,415
Proceeds from the sale of tangible assets	683	-
Purchase of tangible fixed assets	(36,615)	(440,126)
<b>Net cash used in investing activities</b>	(35,678)	(437,711)
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	291,076	(312,717)
Cash and cash equivalents at the beginning of the year	957,790	1,270,507
<b>Cash and cash equivalents at the end of the year</b>	1,248,866	957,790

The notes on pages 19 to 39 form part of these financial statements



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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. General information**

The Matthew Project is a company, limited by guarantee and has no share capital, incorporated in England and Wales, registration number 6388343. The registered office is 70-80 Oak Street, Norwich, Norfolk, NR3 3AQ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Matthew Project 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.

**2.2 Going concern**

In approving these accounts, the Trustees have assessed whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of The Matthew Project to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of the approval of the financial statements.

The Trustees have assessed the financial uncertainty arising from COVID-19, and have put in place measures to respond to the crisis as described in the Trustees' Report. They have reviewed the level of liquid assets and funds and the expected income and expenditure for 12 months from authorising these financial statements. Taking particularly into consideration the level of unrestricted reserves and projected cashflows the Trustees conclude that the charity will meet its liabilities as they fall due for the period of assessment. For this reason, the Trustees consider the charity to be financially well positioned and that the financial statements should continue to be prepared on a going concern basis.

**2.3 Legal status of the Charity**

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

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.4 Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid and tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Legacies are included in the Statement of Financial Activities when the charity becomes aware of its entitlement to gift, receipt is probable and the amount can be reliably quantified.

Income from government grants, whether 'capital' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance for a future fundraising event or for a grant received relating to the following year are deferred until the criteria for income recognition has been met.

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

Sponsorship from events, fundraising and events registration fee are recognised in income when the event takes place. Trading income is recognised on point of sale for both donated and purchased goods.

**2.5 Expenditure and irrecoverable VAT**

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. All expenditure is accounted for on an accruals basis under the following headings:

- Cost of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies. Fundraising costs do not include the costs of disseminating information of support of the charitable activities.
- Support costs comprise those costs which are incurred directly in support of expenditure on the objects transferred to the new provider.
- Support costs are allocated on the basis of the full time equivalent of staff to the resource.

All expenditure is inclusive of irrecoverable VAT.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.6 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

**2.7 Taxation**

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

**2.8 Tangible fixed assets and depreciation**

All purchased fixed assets are initially recorded at cost. Assets donated for use by the charity are recognised as income when receivable and capitalised at their open market value.

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

The estimated useful lives are as follows:

Leasehold improvements	-	over period of lease
Caravans	-	25 % RB
Motor vehicles	-	25 % RB
Equipment (fixed)	-	over period of property lease
Furniture and equipment (movable)	-	25 % RB
Computer equipment	-	33 % SL

**2.9 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 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. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

**2.11 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.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.12 Creditors**

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

**2.13 Liabilities**

Liabilities and provisions 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 company 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 in the Statement of financial activities as a finance cost.

**2.14 Financial instruments**

The company 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.

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

**2.16 Pensions**

Contributions to the charity's defined contribution pension scheme and to the Norfolk Pension Scheme are charged to the profit and loss account in the year in which they become payable.

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.17 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 company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

No judgments (apart from those involving estimates) have been made in the process of applying the above policies.

The key assumption concerning the future and key sources of estimation uncertainty at the key reporting date that has significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year is:

- The estimation of the useful economic life of the fixed assets.

**4. Income from donations and legacies**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	46,612	25,692	72,304
Legacies	183	-	183
NCC - Covid grant funding	20,800	-	20,800
Coronavirus Job Retention Scheme grant	34,391	-	34,391
	<u>101,986</u>	<u>25,692</u>	<u>127,678</u>

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4. Income from donations and legacies (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	52,377	333,504	385,881
Legacies	28,169	-	28,169
	<u>80,546</u>	<u>333,504</u>	<u>414,050</u>

**5. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Young Persons	-	1,490,250	<b>1,490,250</b>
Adult Services	12,673	448,230	<b>460,903</b>
Community Justice	-	-	-
Support-Head Office	7,752	-	<b>7,752</b>
	<u>20,425</u>	<u>1,938,480</u>	<u><b>1,958,905</b></u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Young Persons	4,632	1,409,611	1,414,243
Adult Services	-	368,297	368,297
Community Justice	-	17,320	17,320
	<u>4,632</u>	<u>1,795,228</u>	<u>1,799,860</u>

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**6. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Fundraising events	15,684	15,684
Other trading activities	9,737	9,737
	<u>25,421</u>	<u>25,421</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fundraising events	2,529	2,529
Other trading activities	3,677	3,677
	<u>6,206</u>	<u>6,206</u>

**7. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Bank interest	254	254

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	2,415	2,415



**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Young Persons	-	40	<b>40</b>
Adult Services	195	202	<b>397</b>
Support costs	2,756	-	<b>2,756</b>
	<u>2,951</u>	<u>242</u>	<u><b>3,193</b></u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Youth Services	-	74	74
Adult Services	910	1,233	2,143
Support costs	1,170	-	1,170
	<u>2,080</u>	<u>1,307</u>	<u>3,387</u>

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Young Persons	1,342,523	206,903	<b>1,549,426</b>
Adult Services	374,910	75,550	<b>450,460</b>
	<u>1,717,433</u>	<u>282,453</u>	<u><b>1,999,886</b></u>



**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Young Persons	1,297,975	185,400	1,483,375
Adult Services	382,828	63,131	445,959
	<u>1,680,803</u>	<u>248,531</u>	<u>1,929,334</u>

**Analysis of direct costs**

	<b>Young Persons 2021 £</b>	<b>Adult Services 2021 £</b>	<b>Total funds 2021 £</b>
Staff and volunteer costs	1,003,208	291,000	<b>1,294,208</b>
Service costs	225,153	22,187	<b>247,340</b>
Premises and office running costs	102,768	28,983	<b>131,751</b>
Depreciation including loss on disposal	11,394	32,740	<b>44,134</b>
	<u>1,342,523</u>	<u>374,910</u>	<u><b>1,717,433</b></u>

	<i>Young Persons 2020 £</i>	<i>Adult Services 2020 £</i>	<i>Total funds 2020 £</i>
Staff and volunteer costs	938,581	321,672	1,260,253
Service costs	237,474	12,241	249,715
Premises and office running costs	102,299	25,385	127,684
Depreciation including loss on disposal	19,621	23,530	43,151
	<u>1,297,975</u>	<u>382,828</u>	<u>1,680,803</u>

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Young Persons 2021 £</b>	<b>Adult Services 2021 £</b>	<b>Total funds 2021 £</b>
Salaries	150,226	54,855	205,081
Staff costs	3,236	1,181	4,417
Volunteer costs	529	193	722
Training	1,181	431	1,612
Staff travel	(58)	(21)	(79)
Vehicle costs	44	16	60
Premises costs	12,452	4,547	16,999
Office running costs	17,722	6,471	24,193
Telephone	4,650	1,698	6,348
IT	5,079	1,855	6,934
Finance and legal costs	1,061	388	1,449
Audit, consultancy and professional fees	9,205	3,361	12,566
Depreciation	1,576	575	2,151
	<u>206,903</u>	<u>75,550</u>	<u>282,453</u>

**THE MATTHEW PROJECT**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Young Persons 2020 £</i>	<i>Adult Services 2020 £</i>	<i>Total funds 2020 £</i>
Salaries	120,684	41,094	161,778
Staff costs	6,538	2,281	8,819
Volunteer costs	172	58	230
Training	2,593	883	3,476
Staff travel	466	159	625
Vehicle costs	4	2	6
Service costs	898	305	1,203
Premises costs	13,132	4,472	17,604
Office running costs	15,791	5,377	21,168
Telephone	3,832	1,305	5,137
IT	6,640	2,261	8,901
Finance and legal costs	1,746	595	2,341
Audit, consultancy and professional fees	11,529	3,871	15,400
Depreciation	1,375	468	1,843
	<u>185,400</u>	<u>63,131</u>	<u>248,531</u>

Costs are allocated on the basis of the full time equivalent (FTE) of staff allocated to the resource.

**10. Auditors' remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the company's auditor for the audit of the company's annual accounts	<u><b>8,460</b></u>	<u><b>8,280</b></u>

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**THE MATTHEW PROJECT**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**11. Staff costs**

	2021 £	2020 £
Wages and salaries	1,160,341	1,043,177
Social security costs	97,101	85,627
Pension costs	63,883	58,992
	<u>1,321,325</u>	<u>1,187,796</u>

During the year redundancy payments of £1,373 (2020: £4,955) and non-contractual severance payments of £Nil (2020: £1,206) have been paid. These are recognised on the basis set out in accounting policy 2.5.

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

	2021 No.	2020 No.
Average monthly head count	<u>62</u>	<u>52</u>

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

The charity considers that the key management personnel comprise the trustees and senior management team. The total employee benefits of key management personnel of the charity were £315,569 (2020: £299,943).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**13. Tangible fixed assets**

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Caravans £	Total £
<b>Cost or valuation</b>						
At 1 April 2020	951,307	54,905	115,206	102,087	80,917	1,304,422
Additions	6,731	-	-	29,884	-	36,615
Disposals	-	(7,000)	(593)	-	(39,279)	(46,872)
At 31 March 2021	958,038	47,905	114,613	131,971	41,638	1,294,165
<b>Depreciation</b>						
At 1 April 2020	14,473	32,328	82,935	88,856	73,169	291,761
Charge for the year	15,605	5,644	10,145	12,971	1,937	46,302
On disposals	-	(7,000)	(410)	-	(38,795)	(46,205)
At 31 March 2021	30,078	30,972	92,670	101,827	36,311	291,858
<b>Net book value</b>						
At 31 March 2021	927,960	16,933	21,943	30,144	5,327	1,002,307
At 31 March 2020	936,834	22,577	32,271	13,231	7,748	1,012,661

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2020	1
	<hr/>
<b>At 31 March 2021</b>	<b>1</b>
	<hr/> <hr/>
<b>Net book value</b>	
<b>At 31 March 2021</b>	<b>1</b>
	<hr/>
<i>At 31 March 2020</i>	<i>1</i>
	<hr/> <hr/>
See note 27 for further details.	

**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	3,215	17,451
Other debtors	-	375
Prepayments and accrued income	35,684	125,492
	<hr/>	<hr/>
	<b>38,899</b>	<b>143,318</b>
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	39,501	27,298
Amounts owed to group undertakings	1	1
Other taxation and social security	33,049	27,926
Other creditors	750	750
Accruals and deferred income	264,672	229,874
	<u>337,973</u>	<u>285,849</u>

Deferred income comprises contract income received in advance for contracts to be performed in future accounting periods.

	2021 £	2020 £
Deferred income at 1 April 2020	196,925	283,396
Resources deferred during the year	249,985	196,925
Amounts released from previous periods	(196,925)	(283,396)
	<u>249,985</u>	<u>196,925</u>

**17. Provisions**

	Property dilapidation £
Additions	15,000
	<u>15,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**18. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General Fund	758,188	148,086	(164,917)	(76,574)	664,783
<b>Restricted funds</b>					
Young Persons	108,463	1,482,952	(1,432,970)	4,814	163,259
Adult Services	946,015	481,220	(403,416)	71,760	1,095,579
Voice box and Vehicles	15,255	-	(1,776)	-	13,479
	<u>1,069,733</u>	<u>1,964,172</u>	<u>(1,838,162)</u>	<u>76,574</u>	<u>1,272,317</u>
<b>Total of funds</b>	<u>1,827,921</u>	<u>2,112,258</u>	<u>(2,003,079)</u>	<u>-</u>	<u>1,937,100</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**18. Statement of funds (continued)**

**General Fund:**

The general reserve represents funds of the charity which are provided on an unrestricted basis. It includes, donations, fund raising and surpluses and deficits arising from projects funded from various external sources.

**Young Persons service covers three main areas:**

- 1) The provision of informal advice and outreach to young people in schools and clubs. This is funded from a number of sources included Suffolk and Norfolk County Councils, Comic Relief and various charitable trusts.
- 2) The Unity project is funded by the Norfolk DAAT and identifies and works with vulnerable young people.
- 3) On Track is part of the Building Better Opportunities (BBO) programme which is funded by the European Social Fund (ESF) and Big Lottery. The Matthew Project is the lead partner on this project. We were awarded the funding in January 2017 and the project ran until December 2019.

**Adult Services covers the following areas:**

- 1) A service to Persistent and Prolific offenders in Norwich funded by Norfolk Constabulary as well as a Recovery Worker in the Control Room.
- 2) Outside the Wire provides advice and support to members and ex-members of the Armed Forces and their families. It is currently funded by the Royal British Legion, the Armed Forces Covenant Fund, ABF Soldiers' Charity and HM Treasury (using LIBOR funds)
- 3) The Recovery Hub fund is for the purchase and development of a building for use by the Recovery Hub Service.

**Voicebox and vehicles:**

One voicebox caravan (and towing vehicle) is used in work to educate and support young people throughout Norfolk. The balances on the funds will cover future depreciation of these assets which were originally purchased using restricted funds.

**Fund transfers**

During the year the charity made the following funds transfers:

- 1) A net transfer of £19,010 from unrestricted funds to restricted funds in respect of prior year depreciation charges for the Recovery Hub.
- 2) A transfer of £32,504 from unrestricted funds to restricted funds in respect of income received under the Coronavirus Job Retention Scheme to correspond to the treatment of salary costs supported by the grant.
- 3) A transfer of £15,990 from restricted funds to unrestricted funds in respect of completed projects where there is no remaining restriction on income.
- 4) A transfer of £41,050 from unrestricted funds to restricted funds to subsidise deficits on running costs of the Recovery Hub. Of this transfer £29,872 related to current year deficits and £11,178 was in respect of prior periods.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2020 £</i>
<b>Unrestricted funds</b>				
General Fund	766,085	93,799	(101,696)	758,188
<b>Restricted funds</b>				
Young Persons	118,873	1,424,686	(1,435,096)	108,463
Adult Services	635,522	704,046	(393,553)	946,015
Voice box and Vehicles	17,631	-	(2,376)	15,255
	<u>772,026</u>	<u>2,128,732</u>	<u>(1,831,025)</u>	<u>1,069,733</u>
<b>Total of funds</b>	<u><u>1,538,111</u></u>	<u><u>2,222,531</u></u>	<u><u>(1,932,721)</u></u>	<u><u>1,827,921</u></u>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	41,909	960,398	1,002,307
Fixed asset investments	1	-	1
Current assets	975,846	311,919	1,287,765
Creditors due within one year	(337,973)	-	(337,973)
Provisions for liabilities and charges	(15,000)	-	(15,000)
<b>Total</b>	<u><u>664,783</u></u>	<u><u>1,272,317</u></u>	<u><u>1,937,100</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	68,079	944,582	1,012,661
Fixed asset investments	1	-	1
Current assets	975,957	125,151	1,101,108
Creditors due within one year	(285,849)	-	(285,849)
<b>Total</b>	<u>758,188</u>	<u>1,069,733</u>	<u>1,827,921</u>

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per Statement of Financial Activities)	<u>109,179</u>	<u>289,810</u>
<b>Adjustments for:</b>		
Depreciation charges	46,302	44,994
Loss/(profit) on the sale of fixed assets	(16)	-
Decrease/(increase) in debtors	104,419	(20,855)
Increase/(decrease) in creditors	52,124	(186,540)
Interest received	(254)	(2,415)
Increase/(Decrease) in provisions	15,000	-
<b>Net cash provided by operating activities</b>	<u>326,754</u>	<u>124,994</u>

**21. Analysis of cash and cash equivalents**

	<b>2021 £</b>	<b>2020 £</b>
Cash in hand	<u>1,248,866</u>	<u>957,790</u>
<b>Total cash and cash equivalents</b>	<u>1,248,866</u>	<u>957,790</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Analysis of changes in net debt**

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	957,790	291,076	1,248,866

**23. Pension commitments**

The Charity operates a defined contribution scheme in respect of certain employees of the Charity.

Contributions are charged in the accounts as incurred and totalled £63,883 (2020: £58,992). There were outstanding contributions at the balance sheet date of 31 March 2021 of £6,795 (2020: £6,483).

**24. Operating lease commitments**

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	8,845	8,845
Later than 1 year and not later than 5 years	24,576	24,576
Later than 5 years	321,474	327,618
	<u>354,895</u>	<u>361,039</u>

**25. Related party transactions**

During the year purchases totalling £245 (2020: £Nil) were made from Margaret Wade, a trustee of The Matthew Project. The services provided were that of psychometric tests. As at 31 March 2021 the charity owed Margaret Wade £245 (£2020: £Nil).

In previous years these costs were invoiced through Matrix Training Consultancy Limited, a company of which Margaret was a director. The total purchases in 2020 from this company were £312 and no amount was outstanding at the year end.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. Corporate status**

The company is a registered charity (No. 1122801) incorporated under the Companies Act and limited by guarantee. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

**27. Principal subsidiaries**

The following was a subsidiary undertaking of the company:

<b>Name</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Holding</b>
Matthew Project Enterprises Limited	10840324	Dormant	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Net assets £</b>
Matthew Project Enterprises Limited	1