

THE MATTHEW PROJECT
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 2023**

Trustees

Stephen Lock, Vice Chair
Neil Lawrence, Treasurer
Elizabeth Wiggins, Chair
Gregory Gibson
Margaret Wade
Lorinea Lain-Rogers (resigned 22 November 2022)
Alison Lamont
Keith James
Robin Graham Hepburn
Richard Cadman (appointed 24 November 2022)
Elizabeth Cahir (appointed 24 March 2023)
Richard Gilbert (appointed 24 November 2022)

**Company registered
number**

6388343

**Charity registered
number**

1122801

Registered office

70-80 Oak Street
Norwich
Norfolk
NR3 3AQ

Company secretary

Andy Sexton (resigned 31 March 2023)
Rachel Chapman (appointed 1 April 2023)

Chief executive officer

Andy Sexton (resigned 31 March 2023)
Rachel Chapman (appointed 1 April 2023)

Independent auditors

Larking Gowen LLP
Chartered Accountants
1st Floor, Prospect House
Rouen Road
Norwich
NR1 1RE

Bankers

Lloyds Bank Plc
Norwich
NR2 1LZ

Solicitors

Birketts LLP
Kingfisher House
Gilders Way
Norwich
NR3 1UB

THE MATTHEW PROJECT
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2022 to 31 March 2023. 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) (effective 1 January 2019).

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 39 years, the Matthew Project has been empowering young people and adults to overcome drugs, alcohol, and mental health issues so they can live their lives more fully.

We support young people and adults who:

- have problems with drugs or alcohol
- are at risk of exploitation in County lines activity
- suffer from anxiety, depression and self-esteem issues
- face barriers to education, employment and training

We also have specialist services:

- run by veterans for veterans affected by drug and alcohol issues and living with PTSD
- for family members isolated and impacted by others' drug and alcohol issues

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.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the company

We have supported over 1,500 people through our varied programmes and services, working across Norfolk and beyond with people who are struggling with drugs and alcohol and mental health issues. Our dedicated and experienced teams of caring professionals see the person not the problem. They offer hope and a space to be listened to. They tailor support rather than expecting everyone to fit into a standard model. We work one-on-one with individuals as well as in groups, face to face and virtually to help young people and adults to understand their behaviour and motivations; make the choices that are right for them and to develop skills and interests.

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

Achievements and performance (continued)

In this way we work to prevent or reduce substance misuse, build confidence and self-esteem, and help people to reintegrate into everyday life, including, in many cases, supporting them with education and employment. By doing this we benefit vulnerable communities through improved physical and mental health, better relationships with others, and overall better quality of life, along with access to more opportunities. 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 Norfolk and beyond and providing excellent care and service for our beneficiaries.
- Widening our sources of funding 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.

Specific highlights over the year include:

- Expansion into Cambridgeshire: our Outside the Wire veterans' service now has a new provision within Cambridgeshire, providing much-needed outreach support to veterans affected by PTSD and substance misuse.
- Stepping Out: this new service provides specialist outreach support to 15–18-year-olds across Norfolk affected by mental ill health and barriers to employment.
- Black tie charity ball: In October we held our much-anticipated black-tie ball at Norwich City Football Club. The event featured over 200 guests and was hosted by local ITV news presenters David Whiteley and Becky Jago.
- Supper clubs: in 2022, we launched our supper clubs at Next Steps, where guests came for a meal provided by staff and volunteers at the hub. The events were successful both from a fundraising point of view and in raising awareness of the charity's work.
- Workshop: the Next Steps workshop has continued to develop with a range of activities available, including an increased focus on traded income through upcycling and repairs.
- We started delivering group and one to one work in HMP Norwich thereby also increasing the number of people accessing Matthew Project support on release
- We have strengthened our board by recruiting three new board members who bring with them skills in strategy, marketing, and clinical expertise

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

Achievements and performance (continued)

Some of our key outcomes over the year include the following:



b. Future developments

Following receipt of a grant for seed funding, we will be piloting social enterprise initiatives, based at our next Steps Centre in Norwich. Initially our plans include using the kitchen to provide catering for groups hiring our rooms as well as for a range of events and social functions. The workshop facilities will be used to upcycle furniture and create small items to sell online or at events. This has a two-fold benefit: to raise income for the work of the charity as well as to provide opportunities for beneficiaries to gain skills and work experience.

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

Achievements and performance (continued)

We will be launching our digital chat offer for young people struggling with substance misuse or affected by the substance misuse of others. This will provide out-of-hours advice and guidance to young people and their families delivered by experienced practitioners.

With the ending of our Building Better Opportunities funding from European Social Fund and the National Lottery Community Fund we will be seeking funds to continue our work with young people who are struggling to engage with education, employment and training.

We are developing a co-production strategy for the organisation that will provide more input into the decision-making process from adults and young people with lived experience.

Our Young people's Substance Misuse and Affected Others service contract with Norfolk County Council ends in March 2024 and we expect to be tendering for the new contract in the coming year.

Our CEO, Andy Sexton, resigned with effect from 31st March 2023 and an interim CEO, Rachel Chapman, was appointed. Rachel was subsequently appointed as CEO on a permanent basis. .

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 provides 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 (affected others).

Throughout what has been a challenging year, Unity staff have continued to provide a high quality of support to young people across Norfolk. Over this period, we have also had a change in leadership of Unity, as well as additional resource to ensure continuation of high-quality data collection.

Over the past 12 months, Unity has supported a total of 431 young people across Norfolk. This includes: 204 affected others; and 227 substance misuse clients.

Over this period, young people have seen numerous improvement, including the following:

- Improved wellbeing = 87% of substance misuse clients and 70% of affected others
- Improved confidence: 47% of substance misuse clients and 74% of affected others
- Engaging in education = 72% of substance misuse clients and 58% of affected others
- Better able to cope = 69% of affected others
- Improvements in substance misuse = 87% of substance misuse clients
- Family relationships = 62% of substance misuse clients and 74% of affected others

On Track

On Track is an employability service aimed at enabling some of the most disadvantaged 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 has received funding from the European Social Fund and The National Lottery Community Fund as

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Achievements and performance (continued)

part of the 2014-2020 European Structural and investment Funds Growth Programme in England. The service brings together five organisations in a unique partnership led by The Matthew Project, working alongside GYROS, NANSA, YMCA Norfolk, and the Prince's Trust.

The young people we support are affected by multiple barriers to employment. Over the past 12 months, these have included 68% with mental health issues, 69% with disabilities, and 58% who lacked basic skills.

Over the past 12 months, On Track supported a total of 201 NEET (Not in Education, Employment or Training) young people through a range of one-to-one support and skills-based activities. Of these 201 young people:

- 109 reported improvements in their self-esteem
- 113 attended activities based around therapeutic support, skills development, and volunteering.

Early Intervention Team

The Early Intervention team supports young people with low-level and escalating mental health issues. We offer a preventative service, to prevent young people from needing more specialist support services, resource them, and empower 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, one of the key developments has been the new Stepping Out service, which works with 15-18-year-olds needing support around mental health and employability. Over the past year, Stepping Out has provided one-to-one support to 45 young people, and provided brief intervention support to 90 young people. Of those supported:

- 64% saw an improvement in feelings and emotions
- 73% saw an improvement in school, training, and work
- 64% saw an improvement in self-esteem
- 82% saw an improvement in friends and relationships

Adult services

The Next Steps recovery hub

Next Steps, based in central Norwich, is Norfolk's first ever community recovery hub. The hub provides 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 young people.

The core of Next Steps is the Recovery Support Programme (RSP), a programme of therapeutic and skills support based at the hub. 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.

Over the past year, Next Steps has supported 173 adults in recovery through a range of therapeutic and skills-based programmes. Of these, 63 have progressed through the structured RSP, with the remainder accessing drop-ins and additional activities, including volunteering.

In addition, we have also supported 96 adults affected by substance misuse and involved in offending as part of the Project Adder programme delivered in partnership with Norfolk Constabulary. This includes outreach work across Norfolk.

Outside the Wire (OTW)

Since its launch in 2013, OTW has been supporting veterans, current serving personnel, and close family members in the East of England. This includes Norfolk, Suffolk, Essex, and a recently opened service in Cambridgeshire. OTW is run by veterans, helping to create more effective, tailored support for those affected by drug/alcohol misuse and/or PTSD.

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Achievements and performance (continued)

OTW takes a holistic approach, also focusing on additional issues including homelessness, financial problems, employment, court appearances, and family relationships. OTW is made up of a team of seven staff, including outreach one-to-one practitioners, an affected others practitioner, group practitioners, and a prisons practitioner.

Over the past year, Outside the Wire has provided one-to-one and group support to 192 people. This includes:

- 121 veterans in the community provided with specialist one-to-one outreach support
- 39 family members provided with specialist one-to-one support and activities
- 32 veterans in custody supported with advice and guidance in prison forums

In addition, we also ran groups across the region, totalling 10 support groups run by staff and volunteers and supporting an average of 70 group members.

An additional focus of Outside the Wire is on raising awareness of the issues faced by veterans, as well as tackling stigma around PTSD and substance misuse within the armed forces. To do this, staff have delivered presentations and training to an estimated 330 veterans and professionals over the course of the year.

d. Volunteers

We currently have 34 active volunteers, who volunteered a total of 3,577+ hours of their time in 2022/23. They cover a range of roles, including new roles which have been created since the full opening of Next Steps (e.g. supporting workshop delivery).

Our volunteers come to us from a range of sources, including word of mouth, Voluntary Norfolk, previous beneficiaries, colleges and universities, and other targeted organisations (e.g. counselling trainers and business support groups).

What's currently working well:

- The diversity of volunteers
- Our reputation as a good place to volunteer
- Low volunteer turnover and attrition
- Supporting volunteers to move from recovery, through volunteering to employment or training

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

e. Environmental impact

We take a range of measures to ensure that our environmental impact is kept to a minimum. These include:

- Next Steps: the Norwich-based hub has been designed to reduce environmental impact. Examples include:
 - Repurposing an old industrial building (including reusing many of the original fixtures)
 - Using OSB cladding from sustainable forests
 - Using LED lighting throughout Next Steps
- Encouraging eco-friendly practices among staff and volunteers: these include a focus on recycling; growing vegetables at our allotment; clothes collections; and materials reused for arts and crafts.
- Offices: reducing energy consumption by controlling temperature and promoting switching off devices/lights when not in use; having a recycling plan in place with separate bins; using environmentally friendly stationary products and printing.
- Travel: cycle to work scheme; a car-sharing initiative; a blended model of online and face-to-face support to reduce mileage; 'clustering' outreach work to see more people more efficiently.

f. Equality, diversity and inclusion

Individuals with different cultures, perspectives and experiences are at the heart of the way the Matthew Project works. We want to recruit, develop and retain the most talented people. As an organisation we recognise that being a diverse and inclusive employer helps us fulfil our responsibility to make a difference for our clients.

We seek to develop a work environment where we treat all employees as individuals, fairly and in a consistent way. We work within the spirit and the practice of the Equality Act 2010 by promoting a culture of respect and dignity and actively challenging discrimination. We will remove unnecessary barriers for our employees seeking opportunities through training and development, promotion and career planning.

We will continue to support our leaders, managers and employees to demonstrate the principles of diversity and inclusion in their everyday activities, roles and functions.

Financial review

a. Financial review

Income for the year was £2,631,311 (2022 - £2,195,507) and of this £2,456,370 (2022 - £2,053,728) came from grants and contract income.

Resources expended for the year amounted to £2,498,575 (2022 - £2,211,031).

The work of the Charity consists mainly of providing advice and support, and this is reflected in staff costs which form approximately 65% of total gross expenditure.

Net movement in funds for the year was a surplus of £132,736 (2022 – deficit of £15,524).

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.

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FOR THE YEAR ENDED 31 MARCH 2023

Restricted Funds

The balance of funds at 1 April 2022 was £1,322,209. Incoming resources for the year totalled £2,430,616 (2022 - £2,057,232). Resources expended totalled £2,319,192 (2022 - £2,068,933). The balance was £1,444,796 on restricted funds at 31 March 2023.

Further detail on individual restricted funds can be found in note 16 of the financial statements.

Unrestricted Funds

The opening balance on the general fund at the beginning of the year was £599,367. Incoming resources totalled £200,695 (2022 - £138,275) and resources expended totalled £179,383 (2022 - £142,098) giving a surplus of £21,312 (2022 – deficit of £3,823) for the year. The balance was £609,516 at 31 March 2023.

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 £503,000 and this compares with unrestricted funds at 31 March 2023 which amounted to £609,516. Excluding £15,477 of fixed assets within unrestricted funds, reserves therefore amounted to £594,039. The Trustees are satisfied that the Charity will have adequate funds available to fulfil its obligations for the year ended 31 March 2023.

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 higher as a result of the Bank of England Base Rate increasing from 0.75% to 4.25% 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:

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FOR THE YEAR ENDED 31 MARCH 2023

- 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 2023.
- The Charity is not currently a member of the Fundraising Standards Board. However, the Charity complies with the Code of Fundraising Practice.
- In the past year there have been no instances where the Charity has failed to comply with the requirements and a complaint made.
- The Charity continually reviews and monitors activities involving fundraising carried out by internal staff.
- 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.
- 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.

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 based on skills, experience, and background 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 an information pack, a role description, and a thorough induction package which involves meeting the Chair of Trustees, the CEO, and members of staff and observing the work of the charity. Trustees are also then enrolled on two online safeguarding courses, one for children and one for vulnerable adults. Trustees attend regular training and update sessions concerning governance facilitated by local

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

Structure, governance and management (continued)

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
- Compliance and legal
- Volunteers
- Safeguarding
- 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.

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 and receives a report from the Chief Executive Officer. The Board also operates three sub-committees: the Finance Committee, the Development Committee, and Operational Governance Group. Each of these are attended by at least two Trustees, as well as relevant staff members.

We are undertaking a review of trustee roles and procedures to ensure more effective governance and in doing so are taking into account the recommendations of the governance code.

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.

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Structure, governance and management (continued)

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 and organisational governance. The Trustees have identified two main risks to the charity.

Reduction in funding from public sector, trusts and foundations. The response from the charity is:

- the diversification of income through the development of earned and donated income streams.
- continued engagement with relevant public sector funding bodies, trusts and foundations to keep abreast of changes and developments.
- annual review of the reserves figure to ensure sufficient financial headroom to adapt to underlying political / economic situation.

Staffing including risk of staff stress, absence, retention and difficulties recruiting due to increasing complexity and volatility of clients, exacerbated by contextual pressures such as the cost of living crisis. The response of the charity is:

- staff have effective managerial supervision and managers expectations are reasonable
- access to a range of employee assistance services.

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)
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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.

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TRUSTEES' REPORT (CONTINUED)
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Disclosure of information to auditors (continued)

Auditors

The auditors, Larking Gowen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

.....
Neil Lawrence
(Trustee)

Date: 12/12/2023



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATTHEW PROJECT

Opinion

We have audited the financial statements of The Matthew Project (the 'charitable company') for the year ended 31 March 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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.

THE MATTHEW PROJECT
(A company limited by guarantee)

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

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.

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 statement: health 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 judgments 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.

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

THE MATTHEW PROJECT
(A company limited by guarantee)

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

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.

Giles Kerkham FCA (Senior statutory auditor)

for and on behalf of

Larking Gowen LLP

Chartered Accountants

Statutory Auditors

1st Floor, Prospect House

Rouen Road

Norwich

NR1 1RE

Date: 20/12/2023

THE MATTHEW PROJECT
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	85,577	12,574	98,151	73,718
Charitable activities	5	43,569	2,412,801	2,456,370	2,053,728
Other trading activities	6	69,392	5,241	74,633	67,994
Investments	7	2,157	-	2,157	67
Total income		200,695	2,430,616	2,631,311	2,195,507
Expenditure on:					
Raising funds	8	21,621	1,534	23,155	6,849
Charitable activities		157,762	2,317,658	2,475,420	2,204,182
Total expenditure		179,383	2,319,192	2,498,575	2,211,031
Net income/(expenditure)		21,312	111,424	132,736	(15,524)
Transfers between funds	17	(11,163)	11,163	-	-
Net movement in funds		10,149	122,587	132,736	(15,524)
Reconciliation of funds:					
Total funds brought forward		599,367	1,322,209	1,921,576	1,937,100
Net movement in funds		10,149	122,587	132,736	(15,524)
Total funds carried forward		609,516	1,444,796	2,054,312	1,921,576

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

The notes on pages 22 to 41 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	923,965	980,644
Investments	14	1	1
		<u>923,966</u>	<u>980,645</u>
Current assets			
Debtors	15	140,171	98,244
Cash at bank and in hand		1,362,704	1,271,486
		<u>1,502,875</u>	<u>1,369,730</u>
Creditors: amounts falling due within one year	16	(372,529)	(428,799)
Net current assets		<u>1,130,346</u>	<u>940,931</u>
Total net assets		<u><u>2,054,312</u></u>	<u><u>1,921,576</u></u>
Charity funds			
Restricted funds	17	1,444,796	1,322,209
Unrestricted funds	17	609,516	599,367
Total funds		<u><u>2,054,312</u></u>	<u><u>1,921,576</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:

.....
Neil Lawrence
 (Trustee)
 Date: 12/12/2023



The notes on pages 22 to 41 form part of these financial statements.

THE MATTHEW PROJECT
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash generated in operating activities	89,061	47,947
Cash flows from investing activities		
Interest received	2,157	67
Purchase of tangible fixed assets	-	(25,394)
Net cash provided by/(used in) investing activities	2,157	(25,327)
Change in cash and cash equivalents in the year	91,218	22,620
Cash and cash equivalents at the beginning of the year	1,271,486	1,248,866
Cash and cash equivalents at the end of the year	1,362,704	1,271,486

The notes on pages 22 to 41 form part of these financial statements

THE MATTHEW PROJECT
(A company limited by guarantee)

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

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 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.

THE MATTHEW PROJECT
(A company limited by guarantee)

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

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.

THE MATTHEW PROJECT
(A company limited by guarantee)

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

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

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

THE MATTHEW PROJECT
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the 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.

2.13 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.

2.14 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.15 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.

2.16 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.

THE MATTHEW PROJECT
(A company limited by guarantee)

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

3. Critical accounting estimates and areas of judgment

No judgements (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 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	85,562	12,574	98,136
Legacies	15	-	15
	<u>85,577</u>	<u>12,574</u>	<u>98,151</u>
	<u><u>85,577</u></u>	<u><u>12,574</u></u>	<u><u>98,151</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	50,368	10,938	61,306
Legacies	6,677	-	6,677
NCC - Covid grant funding	4,000	-	4,000
Coronavirus Job Retention Scheme Grant	1,735	-	1,735
	<u>62,780</u>	<u>10,938</u>	<u>73,718</u>
	<u><u>62,780</u></u>	<u><u>10,938</u></u>	<u><u>73,718</u></u>

THE MATTHEW PROJECT
(A company limited by guarantee)

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

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Young Persons	-	1,576,770	1,576,770
Adult Services	-	836,031	836,031
Community Justice	43,569	-	43,569
Support - Head Office	-	-	-
	<u>43,569</u>	<u>2,412,801</u>	<u>2,456,370</u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Young Persons	-	1,356,110	1,356,110
Adult Services	-	674,318	674,318
Support - Head Office	23,300	-	23,300
	<u>23,300</u>	<u>2,030,428</u>	<u>2,053,728</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Fundraising events	46,610	-	46,610
Other trading activities	22,782	5,241	28,023
	<u>69,392</u>	<u>5,241</u>	<u>74,633</u>

THE MATTHEW PROJECT
(A company limited by guarantee)

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

6. Income from other trading activities (continued)

Income from non charitable trading activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising events	24,826	-	24,826
Other trading activities	27,302	15,866	43,168
	<u>52,128</u>	<u>15,866</u>	<u>67,994</u>

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	2,157	2,157

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest	67	67

THE MATTHEW PROJECT
(A company limited by guarantee)

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

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Young Persons	-	100	100
Adult Services	1,479	1,434	2,913
Support Costs	20,142	-	20,142
	<u>21,621</u>	<u>1,534</u>	<u>23,155</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Young Persons	-	49	49
Adult Services	2,161	386	2,547
Support Costs	4,253	-	4,253
	<u>6,414</u>	<u>435</u>	<u>6,849</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Young Persons	1,458,461	152,105	1,610,566
Adult Services	679,216	185,638	864,854
	<u>2,137,677</u>	<u>337,743</u>	<u>2,475,420</u>

THE MATTHEW PROJECT
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Young Persons	1,350,118	203,386	1,553,504
Adult Services	539,698	110,980	650,678
	<u>1,889,816</u>	<u>314,366</u>	<u>2,204,182</u>

Analysis of direct costs

	Young Persons 2023 £	Adult Services 2023 £	Total funds 2023 £
Staff and volunteer costs	1,105,746	546,997	1,652,743
Service costs	223,138	38,590	261,728
Premises and office running costs	108,004	60,286	168,290
Depreciation including loss on disposal	21,573	33,343	54,916
	<u>1,458,461</u>	<u>679,216</u>	<u>2,137,677</u>

	<i>Young Persons 2022 £</i>	<i>Adult Services 2022 £</i>	<i>Total funds 2022 £</i>
Staff and volunteer costs	1,050,709	448,601	1,499,310
Service costs	212,411	15,569	227,980
Premises and office running costs	75,420	41,615	117,035
Depreciation including loss on disposal	11,578	33,913	45,491
	<u>1,350,118</u>	<u>539,698</u>	<u>1,889,816</u>

THE MATTHEW PROJECT
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Young Persons 2023 £	Adult Services 2023 £	Total funds 2023 £
Salaries	107,636	131,367	239,003
Staff costs	5,512	6,727	12,239
Volunteer costs	204	248	452
Training	909	1,110	2,019
Staff travel	651	795	1,446
Vehicle costs	456	555	1,011
Service costs	26	31	57
Premises costs	7,805	9,526	17,331
Office running costs	10,215	12,466	22,681
Telephone	2,711	3,309	6,020
IT	6,716	8,196	14,912
Finance and legal costs	60	73	133
Audit, consultancy and professional fees	8,411	10,266	18,677
Depreciation	793	969	1,762
	<u>152,105</u>	<u>185,638</u>	<u>337,743</u>

THE MATTHEW PROJECT
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Young Persons 2022 £</i>	<i>Adult Services 2022 £</i>	<i>Total funds 2022 £</i>
Salaries	146,313	79,839	226,152
Staff costs	1,829	998	2,827
Volunteer costs	399	218	617
Training	2,123	1,156	3,279
Vehicle costs	1,347	735	2,082
Service costs	65	35	100
Premises costs	7,251	3,957	11,208
Office running costs	18,892	10,309	29,201
Telephone	3,691	2,014	5,705
IT	5,974	3,260	9,234
Finance and legal costs	7,928	4,326	12,254
Audit, consultancy and professional fees	6,561	3,580	10,141
Depreciation	1,013	553	1,566
	<u>203,386</u>	<u>110,980</u>	<u>314,366</u>

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

10. Auditors' remuneration

	2023 £	2022 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>10,010</u>	<u>9,100</u>

THE MATTHEW PROJECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Staff costs

	2023 £	2022 £
Wages and salaries	1,438,659	1,294,951
Social security costs	127,128	102,749
Pension costs	79,065	70,517
	<u>1,644,852</u>	<u>1,468,217</u>

During the year redundancy payments of £2,570 (2022: £2,660) were 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:

	2023 No.	2022 No.
Average monthly head count	<u>63</u>	<u>59</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 £335,756 (2022: £341,613).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

THE MATTHEW PROJECT
(A company limited by guarantee)

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

13. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Caravans £	Total £
Cost or valuation						
At 1 April 2022	958,038	47,905	33,499	152,415	41,638	1,233,495
At 31 March 2023	958,038	47,905	33,499	152,415	41,638	1,233,495
Depreciation						
At 1 April 2022	45,685	35,206	19,931	114,386	37,643	252,851
Charge for the year	15,607	3,175	8,376	28,522	999	56,679
At 31 March 2023	61,292	38,381	28,307	142,908	38,642	309,530
Net book value						
At 31 March 2023	896,746	9,524	5,192	9,507	2,996	923,965
At 31 March 2022	912,353	12,699	13,568	38,029	3,995	980,644

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	1
At 31 March 2023	1

See note 26 for further details.

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

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	67,614	26,134
Other debtors	13,373	-
Prepayments and accrued income	56,008	72,110
Tax recoverable	3,176	-
	<u>140,171</u>	<u>98,244</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	9,995	44,952
Amounts owed to group undertakings	1	1
Other taxation and social security	39,898	40,848
Other creditors	750	750
Accruals and deferred income	321,885	342,248
	<u>372,529</u>	<u>428,799</u>

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

	2023 £	2022 £
Deferred income at 1 April 2022	317,958	249,985
Resources deferred during the year	310,513	317,958
Amounts released from previous periods	(317,958)	(249,985)
	<u>310,513</u>	<u>317,958</u>

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

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
General Fund	599,367	200,695	(179,383)	(11,163)	609,516
Restricted funds					
On Track	16,089	619,404	(668,262)	32,769	-
Unity	48,665	841,475	(797,225)	-	92,915
Outside the Wire	174,125	308,638	(293,477)	-	189,286
Next Steps	85,166	437,267	(324,957)	(4)	197,472
Next Steps Recovery Hub	912,353	-	(15,607)	-	896,746
Early Interventions	28,506	203,696	(176,520)	(3,705)	51,977
Voicebox and vehicles	11,286	-	(999)	-	10,287
Other	46,019	20,136	(42,145)	(17,897)	6,113
	1,322,209	2,430,616	(2,319,192)	11,163	1,444,796
Total of funds	1,921,576	2,631,311	(2,498,575)	-	2,054,312

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

17. 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.

Restricted Fund:

1) 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 runs to June 2023.

2) The Unity project is funded by the Norfolk County Council Public Health and identifies and works with vulnerable young people affected by substance misuse.

3) 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, and the NHS through the Norfolk and Suffolk Foundation Trust.

4) Next Steps is a centre for people in recovery from substance misuse. The centre programmes also include being part of the Project Adder initiative and the extension in recovery services to Kings Lynn and Great Yarmouth through Universal Funding. It has developed with funding from charitable trusts and Norfolk County Council Public Health.

5) Next Steps Recovery Hub represents funds received to purchase and develop the Recovery Hub Centre on Oak Street Norwich. The funds carried forwards will cover future years depreciation on the building.

6) The Early Intervention project aims to support children and young people with mental well-being issues.

7) One voicebox caravan (and towing vehicle) has been 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.

8) The provision of informal advice and outreach to young people in schools and clubs. This is funded from various charitable trusts and purchased by schools.

Fund transfers

During the year the charity made the following funds transfers:

1) Total transfers of £34,436 from unrestricted funds to restricted funds to cover deficits on restricted projects.

2) Following a review of restricted fund balances, it was concluded there is no remaining restriction on funds totalling £23,273, which have therefore been transferred to general funds.

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

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds					
General Fund	664,783	138,275	(142,098)	(61,593)	599,367
Restricted funds					
On Track	13,773	490,512	(547,382)	59,186	16,089
Unity	89,749	779,709	(820,793)	-	48,665
Outside the Wire	92,566	306,736	(226,717)	1,540	174,125
Next Steps	41,889	332,593	(296,607)	7,291	85,166
Next Steps Recovery Hub	927,960	-	(15,607)	-	912,353
Early Interventions	18,550	121,893	(111,838)	(98)	28,507
Voicebox and vehicles	13,479	-	(1,332)	(861)	11,286
Other	74,351	25,789	(48,657)	(5,465)	46,018
	<u>1,272,317</u>	<u>2,057,232</u>	<u>(2,068,933)</u>	<u>61,593</u>	<u>1,322,209</u>
Total of funds	<u>1,937,100</u>	<u>2,195,507</u>	<u>(2,211,031)</u>	<u>-</u>	<u>1,921,576</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	15,477	908,488	923,965
Fixed asset investments	1	-	1
Current assets	966,567	536,308	1,502,875
Creditors due within one year	(372,529)	-	(372,529)
Total	<u>609,516</u>	<u>1,444,796</u>	<u>2,054,312</u>

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

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	28,697	951,947	980,644
Fixed asset investments	1	-	1
Current assets	675,133	694,597	1,369,730
Creditors due within one year	(104,464)	(324,335)	(428,799)
Total	<u>599,367</u>	<u>1,322,209</u>	<u>1,921,576</u>

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

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	132,736	(15,524)
Adjustments for:		
Depreciation charges	56,679	47,057
Increase in debtors	(41,820)	(59,345)
Increase/(decrease) in creditors	(56,377)	90,826
Interest received	(2,157)	(67)
Increase/(Decrease) in provisions	-	(15,000)
Net cash provided by operating activities	<u>89,061</u>	<u>47,947</u>

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	<u>1,362,704</u>	<u>1,271,486</u>

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

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,271,486	91,218	1,362,704

22. 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 £79,065 (2022: £70,517). There were outstanding contributions at the balance sheet date of 31 March 2023 of £7,894 (2022: £7,465).

23. Operating lease commitments

At 31 March 2023 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	6,712	6,712
Later than 1 year and not later than 5 years	24,756	25,326
Later than 5 years	309,186	315,330
	<u>340,654</u>	<u>347,368</u>

24. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2023.

25. 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.

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

26. Principal subsidiaries

The following was a subsidiary undertaking of the company:

Name	Company number	Principal activity	Holding
Matthew Project Enterprises Limited	10840324	Dormant	100%

The subsidiary was dormant for the year and its net position at 31 March 2023 was:

Name	Net assets £
Matthew Project Enterprises Limited	1