

Company registration number: 06628989

Charity registration number: 1125960

Freedom Community Alliance Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2023



Freedom Community Alliance Limited

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Freedom Community Alliance Limited

Reference and Administrative Details

Governing document: Memorandum and articles of association
Constitution: Company limited by guarantee

Charity Registration Number 1125960

Company Registration Number 06628989

Trustees The charity is incorporated in England and Wales.
Mr P Ayrton
Mr R Bartlett (Resigned 19 June 2023)
Mr D Clapp (Appointed 7 December 2022)
Ms J Hanson (Appointed 7 December 2022)
Mr D Hunt (Appointed 7 December 2022)
Mrs C Jones
Mr D Halpin (Appointed 19 June 2023)
Mrs M Kuo
Mr M Parsons (Resigned 7 December 2022)

Registered Office 1 Howard Avenue
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EX32 8QA

Auditor Westcotts (SW) LLP
47 Boutport Street
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EX31 1SQ

Solicitors: Brewer Harding & Rowe
The Square
Barnstaple
EX32 8LS

Bankers Lloyds Bank Plc
17 Cross Street
Barnstaple
EX31 1BE

Freedom Community Alliance Limited

Trustees Report (incorporating Directors' report)

The Trustees, who are also the directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 30 June 2023.

Freedom Community Alliance was incorporated as a company limited by guarantee on 24th June 2008 and is also a registered charity.

Full reference details of the Charity are shown on page 1. Also on page 1 is a list of the Trustees who held office during the financial year and at the date of this report and the external advisers of the Charity.

Structure, Governance & Management

The Charity is governed by a Board of Trustees who are also the directors of the company. New Trustees are appointed in accordance with the Articles of the Charity and are required to be approved by the members of the Charity.

The Board of Trustees meet regularly to discuss and plan the activities of the Charity and there is close liaison and dialogue with the Chief Executive of the Charity.

The day-to-day management of the charity is delegated to the Senior Management Team headed up by the Chief Executive and supported by the Operations Manager.

The Board of Trustees are responsible for preparing the Trustees Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

New trustees

New trustees are appointed by resolution of the trustees passed by a majority for time being and not just a simple majority present at the meeting when the resolution is considered. To preserve the Christian identity of the charity, all applicants are expected to commit to a statement of faith as well as the values of the charity.

During their induction new trustees:

- Meet with the Chair of trustees, Chief Executive and other senior staff and are briefed on the charity's activities.
- Receive an induction pack from the board secretary.
- Receive a copy of the annual accounts and most recent annual report as well as the Memorandum and Articles of Association
- Receive a copy of the Charity Commission guidance - The essential trustee: what you need to know, what you need to do.
- They are mentored by one of the existing trustees.

Objectives and Activities

Freedom Community Alliance has 3 main charitable objectives and these are summarized as follows;

1. To provide facilities in the interests of social welfare with the object of improving conditions of life.
2. To relieve the needs of individuals who are homeless or in recovery from drug / alcohol addiction through the provision of accommodation and or rehabilitation programs.
3. To further education through the provision of training in life skills or other vocational areas.

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Trustees Report (incorporating Directors' report)

During this reporting period The Charity achieved its objectives by providing a range of services from The Freedom Centre, Croscombe Barton Therapeutic Community, Freedom Housing properties and through our work with vulnerable people in the community.

We are sad to report that during the year the 'TC' Therapeutic Community was closed and a full explanation is covered later in this report. While the TC was operational our services were broken down into 3 core areas:

1. Day Centre Services, including partnership services delivered from the Freedom Centre.
2. Supported Housing for homeless individuals with a history of rough sleeping.
3. Treatment and Recovery services for men with a history of drug / alcohol addiction.

The Charity experienced an incredibly busy year and saw its income grow by almost 32% which is a huge testament to the hard work of the senior management team.

During the year the following services have been delivered.

- **Open access Day Centre for Homeless and Vulnerable Individuals.**
- **Street outreach services engaging with rough sleepers and helping them off the street and into accommodation.**
- **Management and oversight of a multi-agency facility working with rough sleepers and those vulnerably housed across North Devon.**
- **Croscombe Barton Therapeutic Community Treatment Centre for men in recovery from addiction.**
- **Stage 2, recovery focused, supported move on accommodation.**
- **Supported accommodation for men affected by homelessness linked to the North Devon Housing Hub.**
- **Next Steps accommodation for residents who have longer term support needs.**
- **Female only supported accommodation.**
- **Temporary accommodation for rough sleepers in place of night shelter provision.**
- **4 Rough Sleeper Pods located inside the Freedom Centre for Rough Sleepers with overnight welfare / security support.**
- **Rough sleeper navigator services linked to North Devon Councils' enhanced rough sleeper outreach team as part of the Governments Rough Sleeper Strategy.**
- **Specialist Nurse and GP health services delivered in partnership with the NHS and local primary care network.**

The above projects and services have provided essential and life changing support to some of the most vulnerable and socially excluded individuals in North Devon.

Outcomes from the above services include: -

- Improved health and wellbeing.
- Reduction in the number of people rough sleeping through the provision of appropriate accommodation.
- Reduced revolving door clients through dedicated, person-centred navigator support.
- Reduced health inequalities for some of the most marginalised people in our community.
- Sustained recovery for those with a history of addiction.

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Trustees Report (incorporating Directors' report)

- Fewer offenders returning to crime as a result of engaging in treatment.
- Improved feelings of self-worth and self-esteem for those who have been accommodated.
- Improved prospects for those who have regained hope for the future.

All services are delivered from a 'trauma informed' and 'person centred' perspective and with an integrated approach working in partnership with a range of statutory and voluntary sector organisations.

Achievements and performance

Freedom Centre Activities including the Day Centre

At the start of this reporting period the UK Covid alert level had been downgraded to level 2 where pressure on health services were classed as declining or stable! The previous periods of closure and disruption to the Day Centre had ceased and the main impact being experienced was from staff shortages due to positive COVID tests. Thankfully, this was short lived and for most of this year, COVID had no real impact.

By July 2022 the enhanced rough sleeper outreach team was fully established, and we were working in a different way as part of a new multi-agency team. This had become the new norm and following discussions with staff and partners the decision was made, not to revert to the way things were pre COVID. The building alterations made last year were transformational for everyone and had created an outstanding environment for the team. North Devon Council recognised the significant benefits for their staff to remain based at Freedom and made an official request for us to continue accommodating them.

The outreach team is made up of staff from North Devon Council, Freedom Community Alliance, Devon Partnership Trust, NHS Trust, North Devon Primary Care Network, Together Drug & Alcohol Services, Police and Probation. Additionally, during the year DWP got involved by providing a dedicated monthly clinic for our clients.

This multi-disciplinary team have continued to be at the forefront of responding to both national and local initiatives. These have included but are not limited to; daily outreach and bringing rough sleepers off the streets and into appropriate accommodation; flu and covid vaccination clinics for hard-to-reach clients; severe weather interventions during the summer and winter months; responses to the cost of living crisis through the creation of a warm space for rough sleepers; assistance with the annual rough sleeper count and participation in regular quarterly hot spot rough sleeper counts.

The Government's 'Everyone In' campaign to assist rough sleepers through the Covid crisis (back in March 2020) was hailed as one of the most effective responses throughout the pandemic and we were very proud to have played such a key role in this successful initiative in North Devon. Such was the success of this programme at the time, the government acted quickly and made various changes to their own rough sleeper strategy. One of the most notable changes was to bring forward the target date to end rough sleeping from 2027 to 2024.

A refreshed strategy, '**Ending Rough Sleeping for Good**' was published in September 2022. It focuses on a "four-pronged approach" of prevention, intervention, recovery and ensuring a joined-up transparent approach. To help deliver this strategy there was funding committed under the RSI 'Rough Sleeper Initiative' until March 2025. FCA have been an integral partner to the North Devon RSI Programme since its inception in 2018 and now plays an even greater role through the development of the Multi Agency Team and the creation of the one stop shop for rough sleepers at the Freedom Centre. During this reporting year, 3 key services i.e. Provision of Rough Sleeper Navigator Services, Provision of an Outreach Navigator and Provision of Supported Accommodation all received continuation funding under the RSI programme.

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However, our experience on the ground and the evidence of what we see happening day to day suggests that achieving an end to rough sleeping by the end of 2024 is highly unlikely.

During this year we've had more presentations of people rough sleeping than ever before. Despite having more units of accommodation and accommodated the highest number of people in any single year, we still faced challenges throughout the year of more people sleeping rough than could be accommodated.

Sadly, the complexity of many of those we are working with continues to increase and yet there is reduced access and support from specialist departments. Often this is due to them having to manage budget cuts within their own services leaving us to accommodate people who should be receiving help and support from Mental Health services or Adult Social Care.

Without additional investment from the government beyond 2025 and also a fresh look at what is needed to accommodate those with multiple and complex needs safely, we are concerned that rough sleeper numbers could return to an all-time high.

Prior to COVID the open access hours of the Day Centre were 11.30am – 3.30pm i.e. 4 hours a day. However, in view of the additional work now being undertaken by the team i.e. Early Morning Outreach, Daytime Outreach, Internal Pods, External Pods and provision of Temporary Accommodation the hours have reduced to 11.30am to 1.30pm Monday to Thursday. Prior to 11.30am and also after 1.30 the team are able to pre book appointments to see clients for a specific purpose.

This mixture of open access sessions and time for pre booked appointments has worked well and has continued throughout the year with no intention to revert to the longer open access sessions. The arrangement provides the scope for members of the team to be involved in numerous other activities away from the day centre and as a result we have become so much more productive and effective in our day-to-day work.

Our aim during the open access sessions is to meet people at their point of felt need. Every visitor is met, welcomed, and offered a hot drink and a hot meal. After a shower and clean clothes if needed, a friendly chat with one of our team identifies other ways we can help including accommodation, advocacy, debt or benefits advice, nurse, in-house GP clinic, mental health or addiction support, or use of a phone or computer. We also have a gym on site and our team can access instant support from the integrated multi-agency team.

By adopting a needs-led approach we look to meet the changing needs of every individual, by offering transformative change for the homeless, and a safety net for the vulnerable, preventing people struggling with the cost of living from slipping into homelessness.

When looking at some of the statistics for the year i.e. July 2022 to June 2023 we must take into account that the previous year's figures were impacted by the pandemic, therefore they shouldn't be viewed on a like for like basis. That said, we can report the following activity for the year ended 30th June 2023.

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This year	Description	Last Year	% Up or Down
9,107	Individual visits to the Freedom Centre	5,172	Up 76%
451	Separate clients engaged in services	414	Up 9%
6,645	No of Lunches provided	3,162	Up 110%
467	No of clothing donations given out	382	Up 22%
598	No of showers provided to rough sleepers	258	Up 132%
502	No of medical interventions from health staff	287	Up 75%
1,839	No of food parcels given out	1,069	Up 72%
*123	No of times computers used by clients	*221	Down 79%
182	No of Breakfasts served	Nil	
82	No of free laundry, service washes for clients	Not Counted	
207	No of times phones used by clients	Not counted	

* it should be noted that the computers were out of action for a good part of the year before we were able to update and replace them thanks to funding from a grant making trust.

Rough Sleeper Pods within the Freedom Centre

The rough sleeping PODS within the Freedom Centre opened on 3rd May 22 so only went live a few months prior to this reporting period. They have proved to be a tremendous asset and resource in accommodating those who would be difficult to accommodate elsewhere until more detailed assessments have been undertaken. They also provide periods of respite off the street for some of those who chose to rough sleep. Below are some statistics from the first year of operation.

- The 4 pods were allocated on 1232 nights out of a possible 1460 creating an occupancy level of 84%.
- There were 53 placements to 40 different individuals during the year
- 11 individuals used the pods more than once.
- The average night stay per person was 23 nights.
- The longest stay for a single person was 82 nights.
- Of the 40 different individuals who stayed in the pods, 26 moved on into appropriate accommodation.

The inside Pods operate differently to the outside pods as access is only permitted from 8pm to 8am in the summer and 6pm to 8am in the winter. At 8am breakfast is served upstairs for those who want it, and this has proved to be great time to engage with clients over coffee and toast.

With the welfare security staff on site, we have been able to accommodate individuals that could not have been accommodated elsewhere for a variety of safety reasons.

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Additional Health Contributions from the Nurse and GP

A now integral service is that of the full time Homeless Inclusion Health Nurse and the weekly GP surgery. These services have until now been run as a pilot to evidence need and demonstrate the value of being based at a venue like the Freedom Centre. The results and outcomes have been amazing, and the use of the service has continued to thrive beyond the year end. Integrating these health services into the outreach team has been an overwhelming success and these services are reducing the health inequalities for some of the most vulnerable and marginalised people in our community.

Feedback from those involved highlights the huge benefits of these health services being based within a homelessness setting rather than a mainstream GP practice. Engagement with this hard-to-reach client group has increased and improved health provision is being seen. Routine health conditions are being diagnosed and treated that would previously have been undiagnosed. Health outcomes are improving and the service has been able to be designed around the needs of the client with longer than normal appointment times, flexibility around attendance reducing no shows and in many cases taking services to the clients on the streets or into the accommodation provision.

Work with stakeholders to mainstream these services for the longer term has been successful. Post year end a tender was issued to commission the services from September 2024 for up to 6 years and at present it is the intention for the service to remain at the Freedom Centre.

Freedom Housing – Rough Sleeper Pods, Temporary Accommodation and Supported Housing for those with identified support needs.

The environment in which we are operating has changed significantly in recent years and this has prompted us to look at what we are offering to ensure it is fit for purpose and meeting the local need. **North Devon** is one of the most economically disadvantaged and least accessible areas of Devon, served by the most remote acute hospital in mainland UK. Barnstaple is the regional capital, providing a hub of services but also boasts 2 of the 3 most deprived wards in Devon and in the top 10% of the IMD – two of which flank the Freedom Centre.

More recently, a local housing crisis driven by the booming post-pandemic tourist trade has resulted in very poor availability of housing stock. Selaine Saxby MP for North Devon reported to Westminster a 67% reduction in available private rented housing since 2019, and Land Registry confirm a 38% increase in house prices in the same period. Private rentals are in very short supply and unaffordable for those on the lowest incomes. A lack of affordable or social housing has led to a direct increase in homelessness in the local community.

Having provided supported housing for many years, we are now firmly of the opinion that one size does not fit all and in response to the changing environment we have developed a range of accommodation solutions that better meet the needs of North Devon. These changes have been developed through co-production and consultation with partners and service users and have varying degrees of flexible tolerance that gives residents the best chance of sustaining their accommodation and reducing evictions.

We operate our housing provision with a team of support workers who each carry a caseload of clients. Caseloads vary from 5-9 depending on the support needs of the individual and each resident will have a personal support plan that is co-produced with their support worker. We use the nationally recognised 'In-Form' case management system to record interventions and details of resident support sessions and the Outcome Star to track progression and outcomes.

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Adopting a flexible tolerance policy means that we can better support people who have complex needs, such as active addiction, mental ill health, or a history of offending. The principle behind this is trying to reduce the barriers people face in accessing appropriate safe accommodation. We believe that our flexible tolerance approach is helping to stop the revolving door of repeated homelessness, and is enabling people to remain housed, supported, and safe.

A 2019 study by Public Health England found that 42% of all those rough sleeping had drug or alcohol misuse or dependency challenges, and 50% also had mental health needs. Furthermore, studies report high prevalence of adverse childhood experiences (ACEs) and trauma among people with experience of homelessness, both of which are life-altering and have long term health consequences into adulthood.

Flexible tolerance is not a new model, in fact, it is what most people would say is a 'common sense' approach, however in our experience it is not how most services operate. When people are displaying challenging behaviour, we look at the person, assess their situation, their background, and try to work towards a suitable outcome using a holistic approach. In the last 12 months we have added the opportunity of counselling as part of the support on offer and will look to develop these opportunities further in the coming year.

We work closely with partners to try and ensure that the correct support and guidance is in place for each resident. However, restrictions on external services often means that the wrap around support is not as robust as it could or should be.

Our staff work flexibly, innovatively, and without judgement with clients to promote recovery and signpost to other support as necessary. Understanding, compassion, and empathy are core values of our service, and essential to our flexible tolerance approach.

Our accommodation solutions now include:

- Rough Sleeper Pods inside the Freedom Centre with overnight welfare / security support.
- Temporary Accommodation with a flexible tolerance.
- Female - gender specific supported accommodation with a flexible tolerance.
- New mixed supported accommodation for those who feel mixed is better for them.
- Male only supported accommodation with a flexible tolerance
- Next steps accommodation for those with longer term support needs.
- Recovery focussed supported accommodation.
- Although not provided by us we also provide support to 4 external rough sleeper pods.

At the end of this financial year, we were supporting 51 units of accommodation. This is made up of 43 beds in shared accommodation across 11 different properties and 8 rough sleeper pods. The accommodation was split as follows:

- 8 rough sleeper pods
- 13 beds of supported accommodation across 3 properties
- 2 beds of female only accommodation in 1 property
- 8 beds of next steps accommodation across 2 properties
- 8 beds of temporary accommodation across 2 properties
- 12 beds of recovery accommodation across 3 properties

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All referrals to our accommodation are received through the Northern Devon Housing Hub which is chaired by North Devon Council. Having created different forms of accommodation we now have an internal housing pathway which provides progression opportunities and also step-up and step-down options according to circumstances, need or maybe choice by residents.

The impact of these changes over the last couple of years means that we are now able to help significantly more people. In 2021/22 we helped 38 different people in our accommodation, however, in this period we had 97 separate accommodation placements from 80 different people in our houses plus a further 53 placements in the Freedom Centre Pods. Overall, we accommodated 102 different individuals which is more than in any previous year.

As a guide to how this accommodation was broken down and used: -

- **Supported Accommodation - 23 residents accommodated.**
We started with 13 and ended with 13. Of the 10 who left, 3 moved into social housing, 3 into private rented, 1 was evicted, 1 died, and 2 moved into specialist accommodation.
- **Next Steps Accommodation - 13 residents accommodated.**
We started with 8 and ended with 8. All 5 new residents had previously been in temporary accommodation with us. Of the 5 who left, 1 went to social housing, 1 went to Prison, 1 went into supported, 1 was evicted and 1 moved out of area. This accommodation is for people with longer term support needs.
- **Female Supported Accommodation - 4 women accommodated.**
We started with 2 and ended with 2. Of the 2 who left, 1 moved out of area and the other chose to return to rough sleeping.
- **Temporary Accommodation - 36 residents accommodated.**
We started with 8 and ended the year with 7. 14 moved into supported accommodation, 3 into private rented and 4 in social housing.
- **Recovery Focussed Accommodation - 18 residents accommodated.**
We started with 7 residents (4 Beds were closed for refurbishment) and ended with 10. 4 residents moved in private rented, 2 into social housing and 2 moved out of area.
- **Rough Sleeper Pods - 40 different residents accommodated.**
26 residents moved on into more appropriate accommodation.

Clearly there will be some overlap as people will have been through various forms of accommodation along their journey. However, the number of different people accommodated i.e. 102 is accurate as any duplicate cases have not been double counted.

As at 30th June 2023 i.e. the end of this reporting period: -

- 40 of our 43 beds within properties were occupied. Therefore 40 of the 80 people accommodated this year i.e. 50% were doing well, sustaining their accommodation, and working towards their goal of independence.
- We can evidence that 30 residents moved on positively during the year and only 8 left our accommodation for negative reasons.
- This translates to 90% positive outcomes and only 10% negative which bearing in mind the complexity of those being accommodated is hugely encouraging.

Since the year end more residents have moved on positively into their own independent accommodation and we have taken steps to expand the availability of temporary accommodation with flexible tolerance. We are also now specifically working with offenders on release from prison under the governments AFEO 'Accommodation for Ex Offenders' Programme.

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We operate our housing provision with a strong focus on local need which is constantly assessed and re-assessed, ensuring that it not only meets the objectives of the charity but also makes a positive impact into the community of North Devon. Properties are secured in three ways. The first is through our longstanding partnership with Green Pastures, who have purchased properties that we lease on a long-term basis. The second is through Private Sector Leasing from private landlords for typically 3-5 years and the third introduced this year is that we have acquired a property of our own with the assistance of a grant and a mortgage. This was made possible following a successful bid to the government's 'Night Shelter Transformation Fund.'

Operating this way enables us to remain flexible, adaptable and able to quickly respond to local demand. During this reporting period, demand remained high with an average occupancy level in the region of 85%. In most cases, void periods were used to carry out essential repairs and maintenance in the rooms.

Analysis from this reporting period shows a high level of success, with a number of residents positively progressing through a housing pathway. Residents from Pods and temporary accommodation were moving into supported accommodation and residents from supported accommodation were moving into their own independent accommodation.

With North Devon facing a housing CRISIS we can't escape the fact that this is having a direct impact on the move on or progression options for many of our clients. Historically, the Private Rented Sector would have been the predominant move on option for many but, with reducing supply and increased demand, private rented accommodation has become difficult to source for this client group. The main move on option is now social housing, through Devon Home Choice, but again this has a limited supply, strict criteria, and often lengthy waiting times for those who are successful. The impact of this is that residents are staying longer in our accommodation before moving on and it is not uncommon for some residents to be with us for up to 2 years before moving to their own independent accommodation.

Croscombe Barton Therapeutic Community Treatment Centre

We started this report stating that the 'Therapeutic Community' (TC) treatment programme had sadly closed during the year. We will now explain in more detail the circumstances behind this closure and the impact on the charity and our services as a result.

In December 2022 we received communication from the CQC (Care Quality Commission) stating that they believed FCA was providing a regulated activity as an unregistered provider. This came as a shock to everyone in the charity because on more than one occasion we had been advised in writing that the services we were delivering fell outside the scope of CQC registration.

However, as a matter of urgency we opened dialogue with CQC and following discussions we accepted that guidelines had changed since we had received previous advice and therefore to continue operating the 'Therapeutic Community' we would need to apply for CQC registration.

Trustees, Management and Staff met together to look at all the options available and a plan was launched that would enable FCA to continue delivering the TC Programme and we notified CQC that it was our intention to apply for registration.

The first decision made was to stop all new referrals into the service until CQC registration had been received. The second was to set up a working party made up of Trustees, Management and Staff to work through the CQC registration process and this activity took place between January – March 2023.

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During the process of pulling together the various documents and working practices for CQC, it became clear that we would need to increase staff resources on site. This was a significant implication for the charity in that we had always run the programme from a fairly lean staff team, supported by ex-resident volunteers. This was a foundational part of the structure that had worked successfully for us but didn't fit with CQC. Therefore the cost implications had to be carefully considered by the Charity.

One of our objectives within our Statement of purpose was to provide an affordable and accessible treatment service for men affected by addiction. This meant being able to help those who were homeless, who were looking for help and yet were unlikely to be engaged with traditional drug / alcohol treatment services. Therefore, they were not coming into treatment with funding for their placement. We had developed a model that could be delivered purely on the basis of a resident's entitlement to housing benefit but it was clear this financial model was not going to be possible under CQC.

Our sense was that the requirement to register and the height of the bar for registration did not seem to be responsive to our situation. It appeared to make no allowance for the fact that we did not provide a detoxification service; did not provide personal care; that our service was non-commissioned so there is no cost to the public purse; it was for adult men who came of their own free will because they wanted help and had the capacity to make a free choice to leave at any point and that we did not make any charge for our treatment program.

Despite the above, we submitted our application in March and would await the response to our application. However, we were not expecting an immediate response that then asked for a further 20+ documents that had not been previously requested and were not part of the original application process, all to be submitted within 24 hours. A timeline which was unachievable and when not met resulted in the cancellation of our application.

At the same time of going through the CQC registration, our property lease at Croscombe was coming to an end. The end date was 31st July 2023 and although the Landlord was happy for us to stay, we would have had to renegotiate a new lease probably for a minimum term of 3 years but potentially more.

At the end of March 2023, Trustees, Management and Staff came together to see how everyone was doing and it was clear that the registration process had taken its toll on the team. Unanimously, at that meeting a decision was made to halt the registration process and close the Therapeutic Community. This was an incredibly difficult decision, and not one we took lightly but it had become increasingly clear that we did not have the capacity to continue providing the support the men in recovery needed alongside the challenging and time-consuming work of CQC readiness.

CQC were informed of this decision and the charity then focussed on an exit strategy to be off site by the end of July 2023. We can report that all remaining residents at Croscombe were found accommodation to continue their recovery journey. A number of them are still in accommodation with FCA now which is incredible when their treatment effectively stopped overnight in December 2022.

The 'TC' residential programme was therefore only operational in this financial year until December 2022. Specific details of how the TC operated can be found in previous annual reports and it doesn't feel appropriate to cover these again in view of the short period that it ran.

One of the amazing features of this facility was the staff team who were dedicated to helping others struggling with their addiction. The team was led by a man with over 30 years' experience of addiction counselling and all the staff came from a background of lived experienced themselves, a feature that was a great strength and also highly unusual in our experience.

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The TC was able to accommodate 13 residents at any one time and analysis of the data for this reporting period shows that 35 different people attended Croscombe between July to December 22. Of those, 15 moved on into our recovery accommodation. This was either due to successful completion of the programme or due to the programme being stopped in December.

Regarding the future impact on the Charity, it means that the third core area of our work i.e. 'Treatment and Recovery services for men with a history of drug / alcohol addiction' is no longer an active provision. We have integrated the Recovery Housing into our other housing provision but are no longer providing a Treatment Centre.

As a result of the closure of Croscombe we also lost 2 highly skilled staff who have left to continue their work with addiction in other settings.

Charities and other organisations with which the charity co-operates in its work.

As described, FCA delivers integrated services and works in Partnership with many other Statutory and Voluntary sector organisations across North Devon. We have a number of organisations with staff based at the Freedom Centre which include, 5 staff from North Devon Council, Mental Health Nurse through Devon Partnership Trust, Physical health Nurse through the NHS, specialist substance misuse worker through Together Drug & Alcohol Services and GP's through the local Primary Care Network. In addition, for part of this year we partnered with Alabare, North Devon for 1 of the supported housing properties in Barnstaple. This was an arrangement where FCA provided the housing management and Alabare provided the support. However, withdrawal of funding from Devon County Council has now terminated this arrangement and mid-year we took back control of the support to residents.

FCA continues to attend the fortnightly Northern Devon Housing Hub which is a collection of statutory and voluntary sector partners which include; North Devon Council, Torridge District Council, Police, Probation, Sanctuary Housing, Alabare, Encompass South West, Mental Health, Together Drug & Alcohol Services and others that come and go. Anyone rough sleeping is discussed at these meetings and referrals are made into a range of supported housing projects which include those operated by Freedom Housing. Again, withdrawal of funding from Devon County Council has meant that a number of providers have withdrawn from these meetings and the full impact of these budget cuts will be seen in the coming year.

The level of integration with our partners provides an enhanced service to clients and we will look to continue building on this over the next 12 months.

Public benefit

All activities of the Charity are focused on delivering benefits to the community of North Devon. The generic services of Freedom Community Alliance (FCA) are open to all, irrespective of their race, age, religion, sexuality, gender, addictions, criminal record, ability or disability. Services are geared to meeting the needs of the socially excluded, homeless, drug & alcohol users, mental health sufferers, economically disadvantaged and others with life-controlling problems.

The reach of the services we provide goes beyond the direct benefit to service users and extend to reducing the distress to their families and friends alike. In addition, there are significant indirect benefits to the local community. The Police, Social Services, Local Authority, Health Services and many others acknowledge the importance of the work of FCA in reducing hardship, reducing crime and reducing harm. We are recognised as positively contributing to the local agenda of building a safer and stronger community.

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Contribution of Volunteers

Historically, volunteers had formed an essential part of our team and made a significant positive contribution to the work of FCA. During the pandemic the use of volunteers reduced significantly and therefore for the first 6 months of this reporting period the contribution of volunteers was minimal. Many of our volunteers were of retirement age and therefore it was important to protect them during the extended periods of lockdown. However, during the second 6 months of this reporting period, when services began to open up again, the opportunities for volunteers returned. The main areas where volunteers are able to support our work is within the clothes store, collecting food donations and helping to prepare and serve the daily meal within the day centre. At the current time we are supported by approximately 15 volunteers a week.

Management of Risk

The trustees actively monitor risks to the charity.

The trustees have identified that the main risks to the charity are:

- Cost of living CRISIS – A head office and 12 additional properties all experiencing increased operating costs.
- Our Day to Day work with vulnerable adults who present with multiple and complex needs. The risk of death through overdose is never far away from many of our clients.
- Short term funding streams.

The trustees seek to mitigate risks by:

- Review of room hire charges and rent calculation spreadsheets to mitigate cost increases.
- All policies and procedures are reviewed and updated on a regular basis.
- Risk assessments are maintained.
- Incident reports and near misses are an agenda item at all Trustees meetings to ensure that any learnings are communicated to Staff.
- DBS checks carried out on all staff, Trustees and appropriate volunteers.
- Appropriate and adequate insurance cover is also maintained.

Financial Review and Results

The charity has continued its focus on developing a broader and more diverse range of income generation to ensure that services are sustainable without a heavy reliance on any one source of funding. Our Income for this period consisted of:

- Rental income from housing benefit generated through Freedom Housing & the Therapeutic Community
- Contracts for the provision of services to North Devon Council.
- Room hire and desk space from the partnership work at The Freedom Centre.
- Grant income from government bodies including DLUHC Department of Levelling Up Housing & Communities.
- Grant Income from other grant making Trusts.
- Specific 'Cost of living' grant funding targeted to support those most in need.
- Support from the wider Freedom organisations
- 'Friends of Freedom' regular donation support programme
- Other gifts & donations

Freedom Community Alliance Limited

Trustees Report (incorporating Directors' report)

We have continued to invest resources in fundraising and specifically bid writing to grant making trusts. A successful bid under the governments 'Nightshelter Transformation Fund' resulted in the Charity being able to acquire its first property with the support of a mortgage.

When analysing a few aspects of the trading performance, we make a couple of observations that have affected this year's accounts and will affect future years as well.

- Croscombe, a 13 bed Therapeutic Community was only able to take in new residents until Dec 2022. Between Dec 22 and June 23 it operated with low occupancy, significantly reducing the income from housing benefit despite normal operating costs. This impacted the housing benefit income this year and the impact will be ongoing as the facility is now closed.
- The increased demand for temporary accommodation coupled with the increased complexity of these individuals has had a direct impact on the condition of our accommodation. Damages, repairs and renewals have increased as has the time taken to undertake the repairs. The combined impact is increased costs for repairs and longer periods of room closures and voids whilst repairs and renovations are carried out. Historically we've been able to maintain occupancy rates of 90% but the impact of the above is reducing this to maybe 85% which has an impact of income levels.

During the year the Company's total income was £1,251,937 (2022 £951,380) of which restricted funds comprised £442,707 (2022 £144,073). Total expenditure was £1,033,020 (2022 £932,954). Excluding the designated funds, the unrestricted fund showed a surplus of £41,673 (2022 £45,525) at the year end. Included in designated funds is the fixed assets fund of £261,710 (2022 £181,176), which comprises the net book value of fixed assets less the mortgage outstanding, as these assets are held to support the future work of the charity and are not readily realizable. Restricted funds stood at £123,168 (2022: £67,335) at the year end.

Reserves Policy

The Trustees' target is to ensure that unrestricted funds which are not designated, and are freely available, at least cover the working capital requirements of 4 weeks' housing benefit (which is received in arrears and approximates £40,000) plus two month's non-housing related costs of approximately £30,000. At 30th June the general fund held £128,075 which is £58,075 more than our minimum reserve requirements. The Trustees consider that it is prudent to hold the additional reserves during the cost of living crisis. The Charity has significant reserves and cash balances which are adequate for its current plans.

Going concern statement

The trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The trustees are of the view that the charity is a going concern.

Statement of trustees' responsibilities

The trustees (who are also the directors of Freedom Community Alliance Limited 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Freedom Community Alliance Limited

Trustees Report (incorporating Directors' report)

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 19 February 2024 and signed on its behalf by:



.....
Mr D Hunt
Trustee

Freedom Community Alliance Limited

Independent Auditor's Report to the Members of Freedom Community Alliance Limited

Opinion

We have audited the financial statements of Freedom Community Alliance Limited (the 'charity') for the year ended 30 June 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 matters

In the previous accounting period, the Trustees of the charity took advantage of the audit exemption under s144 of the Charities Act 2011. Therefore the prior period financial statements were not subject to audit.

Freedom Community Alliance Limited

Independent Auditor's Report to the Members of Freedom Community Alliance Limited

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter 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 (incorporating Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report (incorporating Directors' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (incorporating Directors' report).

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 14 and 15), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Freedom Community Alliance Limited

Independent Auditor's Report to the Members of Freedom Community Alliance Limited

Auditor 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 auditor's 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.

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The Charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other charity legislation. The Trust is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of charity legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Freedom Community Alliance Limited

Independent Auditor's Report to the Members of Freedom Community Alliance Limited

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Catherine Williams FCA DChA
Senior Statutory Auditor

Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 6th March 2024

Freedom Community Alliance Limited

Statement of Financial Activities for the Year Ended 30 June 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	65,867	361,626	427,493	186,107
Charitable activities	4	670,013	81,081	751,094	733,671
Investment income	5	578	-	578	10
Other income	6	72,772	-	72,772	31,592
Total income		809,230	442,707	1,251,937	951,380
Expenditure on:					
Raising funds	7	(13,570)	-	(13,570)	-
Charitable activities	8	(802,717)	(216,733)	(1,019,450)	(932,954)
Total expenditure		(816,287)	(216,733)	(1,033,020)	(932,954)
Net (expenditure)/income		(7,057)	225,974	218,917	18,426
Transfers between funds		170,141	(170,141)	-	-
Net movement in funds		163,084	55,833	218,917	18,426
Reconciliation of funds					
Total funds brought forward		274,201	67,335	341,536	323,110
Total funds carried forward	21	437,285	123,168	560,453	341,536

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 21.

The notes on pages 23 to 37 form an integral part of these financial statements.

Freedom Community Alliance Limited

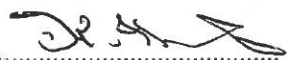
(Registration number: 06628989)

Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	410,684	181,176
Current assets			
Debtors	16	71,011	94,821
Cash at bank and in hand	17	<u>290,732</u>	<u>147,967</u>
		361,743	242,788
Creditors: Amounts falling due within one year	18	<u>(66,521)</u>	<u>(82,428)</u>
Net current assets		<u>295,222</u>	<u>160,360</u>
Total assets less current liabilities		705,906	341,536
Creditors: Amounts falling due after more than one year	19	<u>(145,453)</u>	<u>-</u>
Net assets		<u><u>560,453</u></u>	<u><u>341,536</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		123,168	67,335
Unrestricted income funds			
Unrestricted funds		<u>437,285</u>	<u>274,201</u>
Total funds	21	<u><u>560,453</u></u>	<u><u>341,536</u></u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 20 to 37 were approved by the trustees, and authorised for issue on 19 February 2024 and signed on their behalf by:



Mr D Hunt
Trustee

The notes on pages 23 to 37 form an integral part of these financial statements.

Freedom Community Alliance Limited

Statement of Cash Flows for the Year Ended 30 June 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		218,917	18,426
Adjustments to cash flows from non-cash items			
Depreciation	7	42,373	38,392
Investment income	5	(578)	(10)
Loss on disposal of fixed assets held for the charity's own use	10	6,449	1,837
		<u>267,161</u>	<u>58,645</u>
Working capital adjustments			
Decrease/(increase) in debtors	16	23,810	(57,276)
Increase in creditors	18	14,989	5,849
(Decrease)/increase in deferred income	19	(34,417)	25,667
Net cash flows from operating activities		<u>271,543</u>	<u>32,885</u>
Cash flows from investing activities			
Interest receivable and similar income	5	578	10
Purchase of tangible fixed assets	15	(278,730)	(79,138)
Sale of tangible fixed assets		400	440
Net cash flows from investing activities		<u>(277,752)</u>	<u>(78,688)</u>
Cash flows from financing activities			
Value of new loans obtained during the period		150,000	-
Repayment of loans and borrowings	18	(1,026)	-
Net cash flows from financing activities		<u>148,974</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		142,765	(45,803)
Cash and cash equivalents at 1 July		<u>147,967</u>	<u>193,770</u>
Cash and cash equivalents at 30 June		<u>290,732</u>	<u>147,967</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 23 to 37 form an integral part of these financial statements.

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

1 Howard Avenue
Barnstaple
Devon
EX32 8QA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Freedom Community Alliance Limited 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tangible fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	5% straight line
Leasehold property	5-10% straight line
Motor vehicles	25% reducing balance
Furniture and equipment	10 - 33% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations	43,991	3,799	47,790
Gift aid reclaimed	3,721	-	3,721
Grants, including capital grants;			
Grants	18,155	357,827	375,982
	<u>65,867</u>	<u>361,626</u>	<u>427,493</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations	42,034	-	42,034
Grants, including capital grants;			
Government grants	-	136,822	136,822
Grants	-	7,251	7,251
	<u>42,034</u>	<u>144,073</u>	<u>186,107</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Housing Benefit & Resident's Contributions	604,251	-	604,251
Contractual Income for Housing Support Services	65,762	81,081	146,843
	<u>670,013</u>	<u>81,081</u>	<u>751,094</u>
	Unrestricted funds General £		Total 2022 £
Housing Benefit & Resident's Contributions		562,477	562,477
Contractual Income for Housing Support Services		171,194	171,194
		<u>733,671</u>	<u>733,671</u>

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

5 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	578	578
	<u>578</u>	<u>578</u>
	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	10	10
	<u>10</u>	<u>10</u>

6 Other income

	Unrestricted funds General £	Total 2023 £
Other Income	9,703	9,703
Rent income	63,069	63,069
	<u>72,772</u>	<u>72,772</u>
	Unrestricted funds General £	Total 2022 £
Other Income	11,092	11,092
Rent income	20,500	20,500
	<u>31,592</u>	<u>31,592</u>

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total funds £
Costs of raising donations and legacies	13,503	13,503
Total for 2023	13,503	13,503

b) Costs of trading activities

	Unrestricted funds General £	Total funds £
Other direct costs of activities for generating funds	67	67
Total for 2023	67	67

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs		565,007	203,996	769,003	704,458
Allocated support costs	9	229,044	12,737	241,781	226,071
Governance costs	9	7,746	-	7,746	1,705
Grant funding of activities		920	-	920	720
		802,717	216,733	1,019,450	932,954

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Charitable activities £	Total 2023 £	Total 2022 £
Management and finance staff	97,239	97,239	97,091
Rent & related landlord costs	43,067	43,067	46,556
Insurance	18,125	18,125	11,507
Heating & Lighting	7,560	7,560	6,888
Computers & Software	7,819	7,819	6,594
Irrecoverable VAT	13,256	13,256	12,433
Depreciation	48,822	48,822	17,772
Other support costs	5,893	5,893	27,230
	<u>241,781</u>	<u>241,781</u>	<u>226,071</u>

Governance costs

	Unrestricted funds General £	Total 2023 £
Audit fees		
Audit of the financial statements	6,800	6,800
Independent examiner fees		
Other fees paid to examiners	946	946
	<u>7,746</u>	<u>7,746</u>
	Unrestricted funds General £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	502	502
Other fees paid to examiners	1,203	1,203
	<u>1,705</u>	<u>1,705</u>

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Audit fees/Independent Examination fees	6,800	502
Other non-audit services	946	1,203
Loss on disposal of fixed assets held for the charity's own use	6,449	1,837
Depreciation of fixed assets	42,373	38,292

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year in respect of their role as Trustee. Note 24 includes all related party transactions including details of remuneration paid to Trustees in respect of their employment.

No trustees have received any reimbursed expenses from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	424,722	387,453
Social security costs	24,030	20,567
Pension costs	5,722	5,335
	454,474	413,355

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Charitable activities and related support staff	31	25

No employee received emoluments of more than £60,000 during the year.

The key management personnel are defined as the CEO and the Operations Manager. Their total remuneration including employer's NI and pension contributions for the year was £53,420 (2022 £51,170).

13 Auditors' remuneration

	2023 £
Audit of the financial statements	6,800

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

14 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	-	502
Other fees to examiners		
All other services	946	1,203

15 Tangible fixed assets

	Freehold Property £	Leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2022	-	262,200	308,099	17,684	587,983
Additions	217,228	-	39,667	21,835	278,730
Disposals	-	-	(17,723)	(7,000)	(24,723)
At 30 June 2023	217,228	262,200	330,043	32,519	841,990
Depreciation					
At 1 July 2022	-	156,149	240,468	10,190	406,807
Charge for the year	1,086	14,661	23,541	3,085	42,373
Eliminated on disposals	-	-	(12,535)	(5,339)	(17,874)
At 30 June 2023	1,086	170,810	251,474	7,936	431,306
Net book value					
At 30 June 2023	216,142	91,390	78,569	24,583	410,684
At 30 June 2022	-	106,051	67,631	7,494	181,176

16 Debtors

	2023 £	2022 £
Trade debtors	14,941	161
Prepayments	19,602	8,412
Accrued income	36,468	65,935
VAT recoverable	-	994
Other debtors	-	19,319
	71,011	94,821

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

17 Cash and cash equivalents

	2023	2022
	£	£
Cash at bank	290,732	147,967

18 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	18,535	5,285
Pulchrass Street Mortgage	3,521	-
VAT grant repayable	689	-
Other creditors	11,427	10,233
Accruals	13,433	13,577
Deferred income	18,916	53,333
	66,521	82,428

19 Creditors: amounts falling due after one year

	2023
	£
Pulchrass Street Mortgage	145,453

The mortgage is secured against 24 Pulchrass Street, Barnstaple.

20 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Other		
Within one year	215,817	175,166
Between one and five years	666,663	311,044
After five years	982,396	145,313
	1,864,876	631,523

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

21 Funds

	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2023 £
Unrestricted funds					
General					
General Funds	45,525	809,138	(767,465)	40,877	128,075
New and Expanded Initiatives	47,500	-	-	-	47,500
Fixed Assets	181,176	92	(48,822)	129,264	261,710
	<u>274,201</u>	<u>809,230</u>	<u>(816,287)</u>	<u>170,141</u>	<u>437,285</u>
Restricted funds					
<u>Housing grants</u>					
Capital Funds	2,000	-	-	(2,000)	-
<u>Housing and Homeless</u>					
Housing	48,521	-	-	(25,021)	23,500
<u>Other</u>					
Eagle	10,359	-	(400)	-	9,959
Recovery housing	1,692	1,756	(764)	-	2,684
Navigator Salaries	-	81,081	(81,081)	-	-
Restricted Donations - mainly food	596	2,043	(1,738)	-	901
Navigator Personal Budget	4,167	-	(4,167)	-	-
Next Steps Accommodation Programme	-	52,500	(52,500)	-	-
Cost of Living Crisis	-	82,557	(39,076)	-	43,481
Capital Funds - Fuel Costs Outreach NC6986	-	4,000	(1,220)	-	2,780
Night Shelter Transformation Fund - Revenue grant	-	75,650	(35,787)	-	39,863
Capital grants	-	143,120	-	(143,120)	-
	<u>67,335</u>	<u>442,707</u>	<u>(216,733)</u>	<u>(170,141)</u>	<u>123,168</u>
Total funds	<u>341,536</u>	<u>1,251,937</u>	<u>(1,033,020)</u>	<u>-</u>	<u>560,453</u>

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

	Balance at 1 July 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2022 £
Unrestricted funds					
<i>General</i>					
General Funds	70,122	728,169	(799,397)	64,403	63,297
New and Expanded Initiatives	47,500	-	-	-	47,500
Fixed Assets	142,707	79,138	(58,441)	-	163,404
	<u>260,329</u>	<u>807,307</u>	<u>(857,838)</u>	<u>64,403</u>	<u>274,201</u>
Restricted funds					
Capital Funds	-	136,822	(70,419)	(64,403)	2,000
Housing	48,521	-	-	-	48,521
Eagle	14,260	7,251	(4,697)	-	16,814
	<u>62,781</u>	<u>144,073</u>	<u>(75,116)</u>	<u>(64,403)</u>	<u>67,335</u>
Total funds	<u>323,110</u>	<u>951,380</u>	<u>(932,954)</u>	<u>-</u>	<u>341,536</u>

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

Unrestricted funds

General Fund

General funds are donations and other incoming resources receivable or generated for the objectives of the charity without further specific purpose and which the charity may use for its purposes at its discretion

New and Expanded Initiatives

Funds designated for New and Expanded Initiatives

Fixed assets

Funds designated equal to the net book value of fixed assets less outstanding mortgage commitments, which cannot be used to fund expenditure without being sold.

Restricted funds

Housing Grants

Capital funding for building improvements now fully spent

Housing & Homeless

Funding from a specific donor with a request for the money to be used on buying or refurbishing any of the properties. During the year £25,021 was spent on the refurbishment of Pulchrass St following its purchase.

Eagle

These funds were restricted following the Merger of Eagle Communities to be spent on training and education for clients, maintaining the vehicles in the charity and driving lessons for a client.

Recovery Housing

Specific donations to be spent on residents in recovery housing

Navigator Salaries

Funding for the delivery of rough sleeper navigators

Restricted Donations - mainly food

Donations with a specific request that the money was to be spent on food within the day centre.

Navigator Personal Budget

A restricted fund to be spent on navigator clients

Next Steps Accommodation Programme

Restricted funding towards the support of 8 beds of accommodation for residents with longer term support needs.

Cost of Living Crisis

Grants to support the running of the Day Centre and provision of food due to the cost of living CRISIS.

Capital Funds - Fuel Costs Outreach NC6986

Contribution from NDC towards the fuel costs of the outreach vehicle.

Night Shelter Transformation Fund - Revenue grant

Restricted revenue grant from DLUHC under the governments Night Shelter Transformation Fund towards support costs, welfare security visits and small property improvements towards 8 beds of accommodation in place of night shelter provision.

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

Capital grants

Grants received for the purchase of property and other fixed assets

Transfers between funds

Transfers from restricted funds to unrestricted funds represent capital and other grants for the purchase of fixed assets which have been spent on the agreed fixed assets, the amounts capitalised has been transferred to the Designated Fixed Asset reserve. The transfer to the General Fund is a release from the Fixed Asset reserve which is no longer needed.

22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 June 2023 £
Tangible fixed assets	410,684	-	410,684
Current assets	238,575	123,168	361,743
Current liabilities	(66,521)	-	(66,521)
Creditors over 1 year	(145,453)	-	(145,453)
Total net assets	437,285	123,168	560,453

	Unrestricted funds General £	Restricted funds £	Total funds at 30 June 2022 £
Tangible fixed assets	181,176	-	181,176
Current assets	175,453	67,335	242,788
Current liabilities	(82,428)	-	(82,428)
Total net assets	274,201	67,335	341,536

23 Analysis of net funds

	At 1 July 2022 £	Cash flows £	At 30 June 2023 £
Cash at bank and in hand	147,967	142,765	290,732
Debt due within one year	-	(3,521)	(3,521)
Debt due after more than one year	-	(145,453)	(145,453)
Net cash	147,967	(6,209)	141,758

Freedom Community Alliance Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

24 Related party transactions

The Charity occupies the same building as Freedom Apostolic Ministries Limited (FAM) and Freedom Trust was the formal tenant of the building until 25 December 2022. One of the trustees of the Charity who served during the year was also a trustee of Freedom Trust. The Charity paid rent and landlord's recharged expenses of £25,226 (2022 £46,556) to Freedom Trust. Freedom Apostolic Ministries Limited made unrestricted donations of £Nil (2022 £4,500) to the Charity during the year and paid £13,647 (2022 £8,365) to the Charity for services provided and rent.

One trustee who served during the year, and a spouse of one of the trustees, are employees of the Charity. Mrs Parsons was employed by the charity at total gross salary cost of £17,066 (2022 £14,866) and Mr R Bartlett at a total gross salary cost for the year of £15,877 (2022 £17,350). Mr R Bartlett was paid for his employee role and not for his trustee activities. The level of payments made to these individuals were determined in accordance with pay scales operated by the Charity and approved by the independent trustees. The trustees are satisfied that these individuals are the most appropriate individuals for their respective roles and their remuneration is permitted by the Charity's constitution.

Indemnity insurance was provided for the trustees as part of a policy covering other insurable risks. No separate cost for indemnity insurance was provided by the insurer.