

REGISTERED COMPANY NUMBER: 06845210 (England and Wales)
REGISTERED CHARITY NUMBER: 1128809

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2023**

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**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and activities

N-Compass operates across the North of England to help people regain control of their lives, providing hope and a sense of purpose, through the provision of Carers, Advocacy, Wellbeing, Counselling and Volunteering Services.

N-Compass objectives, as stated in our governing document, are:

1. The relief of those in need by reason of facing disadvantage through illness, disability, age, the demands of the carer's role, social exclusion, or adverse life events, by providing information and services to enable those people to improve their quality of life.
2. The advancement of education to address the difficulties faced by disadvantaged people seeking to express themselves.

The Trustees review the objectives and activities of the charity and together with the senior management team produce strategic plans that align with them. In addition, the charity produces social accounts detailing what the charity has achieved and the outcomes of its work in the same reporting period.

In summary, in 2022-2023 period, our staff team, supported by 198 volunteers supported over 28,000 individuals to stay well.

STRATEGIC REPORT

Financial position

In 2021 we grew strongly, increasing our income from £5.2m in 2020 to £6.3m. We have seen further, more modest growth in 2022 increasing our total income to £6.7m in the period, primarily in our Carers Services +£0.3m and Advocacy + £0.1m

We expect to see similar levels of activity in 2024.

Net Income for the year, before use of designated funds was £72,191. After deduction of £94,504 expenditure from designated funds (Central Service improvements and Payroll Benchmarking) the Net Expenditure for the year was £22,313 which has reduced the Total Reserves held at 31st March 2023 to £1,097,779

Within this figure the General Fund of unrestricted free reserves is £1,064,283 which exceeds the reserves policy level for free reserves which has been set at £725,000

N-COMPASS TOWARDS A BRIGHTER FUTURE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT

Financial review

Reserves policy

The Board of Trustees conduct an annual review of the level of both unrestricted and restricted reserves by considering risks associated with the various incoming resources and expenditure plans for the next year. In addition, the Audit sub-committee reviews all reserves on an on-going basis and informs the board of any exceptional items.

Under the requirements of Charity Law, the Trustees are obliged to define the Charity's policy for holding reserves.

The intention in establishing this reserves policy for N-Compass is to secure continuation of its activities. The policy will:

1. Preserve the viability of the Charity
2. In doing so, underwrite existing services against periods of deficit
3. Enable the Charity to meet its legal objectives
4. Provide confidence to supporters and donors seeking to give financial support to a prudently controlled Charity afforded to all matters of investment
5. Ensure that, consistent with objects, mission statement and values of N-Compass, proper ethical consideration be afforded to all matters of investment
6. Ensure that the reserves are at a level sufficient to discharge all the charity's obligations should the charity cease its operations

N-Compass provides a range of Welfare and Public Health services on behalf of public bodies, via short-term contracts that are tendered and subject to competition. The Sector is subject to constant review with increasing levels of resource constraints and risks of funding cuts. As a response to these risks N-Compass looks to mitigate the impact by operating across different funding streams, looking for strategic alliances, and being highly innovative and efficient in service-delivery.

The Reserves policy covers all commitments under operating leases, including the lease for our Head Office premises as well as three months' worth of payroll costs for all staff who are not assigned to statutory contracts, which is primarily all Central Services and Counselling employees. Surplus funds will continue to be designated as directed by the Trustees in order to support delivery of the strategic plan.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Since the 1st April 2009, N-Compass Towards A Brighter Future Limited has been a Company Limited by Guarantee. The governing instrument of N-Compass is the Articles of Association. Previous to this N-Compass existed as a Charity only, which was established and registered in 1999.

Trustee Recruitment, Induction and Training

Prior to inviting nominations, the Trustees review the skills audit to try to attract members with the relevant experience and skills to the Board. A potential Trustee is required to meet with the Chair of the Board of Trustees and the Chief Executive in order to familiarise themselves with the work of the organisation, the context within which it operates and understand:

- The legal obligations of Trustees
- The main documents which set out the operational framework for the organisation
- Resourcing and the current financial position as detailed in the latest published Annual Accounts

On appointment, each Trustee completes a register of interests and conflict of interests form. They are given a Trustee Handbook that includes the Articles of Association, risk policy and selected policies and procedures and the Charity Commission leaflet CC3. New Trustees are invited to undertake the process of induction. Training needs are assessed and undertaken as required.

The Chief Executive regularly updates Trustees on any issues which affect their roles and responsibilities. The Trustees also have the opportunity to access appropriate training and development.

N-COMPASS TOWARDS A BRIGHTER FUTURE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

In line with the governing document, the Board of Trustees can consist of up to 12 members. Representatives can also be invited to attend the Board meetings but have no voting rights. For the majority of the financial year, 10 Trustees served on the Board.

The Trustees are responsible for the strategic direction and policy of the organisation. There is one sub-committee of the Board. The sub-committee enables more in-depth discussion of key issues and will consider matters referred to them by the Board, making recommendations to the Board. The sub-committee is the Audit Committee.

The Board convenes at a minimum of 4 times each year. The sub-committee meet bi-monthly or at pre-set times and has its own Terms of Reference. The reports and minutes of the sub-committee are a standing agenda item for the full Board meetings. Other committees and working groups may also be set up as needed.

The Board of Trustees delegate the management responsibility of the organisation to the Chief Executive who is assisted in this task by a Senior Management Team consisting of the Services Director, the Peoples Services Director, the Finance Director and the Business Development Director.

Pay policy for senior staff

The Trustees consider that the Board of Trustees, who are also the charitable company's directors, and the senior management team comprise the key management personnel of the charity. They are in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 8, and 18 to the accounts.

The pay of the senior staff is a matter for the Audit Committee.

Related parties and partnerships

In so far as it is complementary to N-Compass, the organisation is guided by both local and national policy drivers. To understand and translate these in the context of N-Compass, we are an active member on a number of partnership and information networks, and fully participate in activities through local, regional and national structures.

N-Compass is also actively involved in a wide range of multi-agency, community specific, operational and strategic partnerships. The partnerships provide the opportunity to improve professional understanding of the people N-Compass supports, gain information relating to local services and activities, and through our involvement in strategic planning, we can identify gaps in service provision and inform/ influence the commissioning of future planned services.

N-Compass has not had any related party transactions in the year.

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Board of Trustees regularly reviews the major risks to which the organisations is exposed, and systems and procedures have been established to mitigate those risks. The audit committee has been charged with undertaking a risk analysis pertinent to areas of focus which feeds directly to the Board of Trustees. Additionally N-Compass produces and assesses monthly management accounts, an annual budget, quarterly budget reviews, business/strategic plans and the reserve fund policy and possesses adequate insurance cover for all personnel, property and activities as part of their risk management approach. Internal control of risks are minimised by the implementation of procedures for authorisation of all transactions and projects. This is supported also by a planned audit schedule which assesses and reviews the way we work in line with a continuous improvement approach and forms part of the ISO 9001 audit framework. As a result of the in depth strategic analysis, including a thorough risk review, a more robust and detailed risk management register is in place which forms part of the compilation of a business continuity plan.

Health and Safety policies and procedures are established and regularly reviewed to ensure the health and safety of staff, volunteers, individuals and visitors. The organisation contracts with Rradar Employment Law Consultants who provide advice which sits alongside employment litigation indemnity insurance (via AXA).

The continuing implementation and compliance with a number of quality standards ensures consistent quality for all operational aspects of the organisation. These include, as mentioned, ISO 9001, NHS Data Security & Protection Toolkit, Advocacy and Investors in Volunteering Quality Marks and Best Companies Accreditation. All systems are periodically audited and reviewed to ensure that they continue to meet the needs of the organisation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06845210 (England and Wales)

Registered Charity number

1128809

Registered office

1 Edward V11 Quay Navigation Way
Ashton-On-Ribble
Preston
Lancashire
PR2 2YF

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees

The following Trustees held office during the whole of the period from 1 April 2022 to the date of this report:

Catherine Scivier (Chair)
Sally McIvor (Vice Chair)
Brian Watson
Dr. Mandy Dixon
Helen Carouzos

Other changes in Trustees holding office are as follows:

Ann Allcoat (resigned 29/03/23)
Keith Bevan (resigned 29/03/2023)
Hannah Woodcock (resigned 29/06/2022)
Angie Boyle (appointed 29/06/22)
Jordan Lewis (appointed 29/06/22)
Rachael McCullough (appointed 29/06/22)

Chief Executive

Joanna Solanki

Company Secretary

Stuart Whittle

Auditors

Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

Bankers

Lloyds Bank
30 Corporation Street
Blackpool
FY1 1EN

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of N-Compass Towards A Brighter Future Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

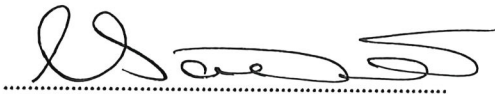
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Wallwork Nelson & Johnson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28th June 2023 and signed on the board's behalf by:



Ms C Scivier - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

Opinion

We have audited the financial statements of N-Compass Towards A Brighter Future Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF N-COMPASS TOWARDS A BRIGHTER FUTURE LIMITED

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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, 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.

Our 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 a Report of the Independent Auditors 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls and evaluating the business rationale of significant

transactions outside the normal course of business.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Woodburn FCA (Senior Statutory Auditor)
for and on behalf of Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

Date:

25th June 2023.

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

		2023 Unrestricted funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Charitable activities	5		
Advocacy		1,730,448	1,427,730
Counselling		371,612	354,916
Carers		4,541,859	4,470,436
Activities for generating funds	3	40,200	38,091
Investment income	4	-	14
Total		<u>6,684,119</u>	<u>6,291,187</u>
EXPENDITURE ON			
Charitable activities	6		
Advocacy		1,829,558	1,605,031
Counselling		380,441	372,922
Carers		4,398,761	4,267,342
Payroll Benchmarking		52,000	-
Central Service Improvements		42,504	-
Total		<u>6,703,264</u>	<u>6,245,295</u>
Net gains/(losses) on investments		<u>(3,168)</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		(22,313)	45,892
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>1,120,092</u>	<u>1,074,200</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,097,779</u></u>	<u><u>1,120,092</u></u>

The notes form part of these financial statements

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**BALANCE SHEET
31 MARCH 2023**

	Notes	2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS			
Tangible assets	12	4,983	16,969
Investments	13	<u>246,832</u>	<u>-</u>
		251,815	16,969
CURRENT ASSETS			
Debtors	14	306,114	786,947
Cash at bank		<u>1,200,447</u>	<u>1,034,772</u>
		1,506,561	1,821,719
CREDITORS			
Amounts falling due within one year	15	<u>(660,597)</u>	<u>(718,596)</u>
NET CURRENT ASSETS		<u>845,964</u>	<u>1,103,123</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,097,779</u>	<u>1,120,092</u>
NET ASSETS		<u>1,097,779</u>	<u>1,120,092</u>
FUNDS	17		
Unrestricted funds		<u>1,097,779</u>	<u>1,120,092</u>
TOTAL FUNDS		<u>1,097,779</u>	<u>1,120,092</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28th June 2023 and were signed on its behalf by:


C Scivier - Trustee

The notes form part of these financial statements

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>415,675</u>	<u>(217,792)</u>
Net cash provided by/(used in) operating activities		<u>415,675</u>	<u>(217,792)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(250,000)	-
Interest received		<u>-</u>	<u>14</u>
Net cash (used in)/provided by investing activities		<u>(250,000)</u>	<u>14</u>
Change in cash and cash equivalents in the reporting period		<u>165,675</u>	<u>(217,778)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,034,772</u>	<u>1,252,550</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,200,447</u></u>	<u><u>1,034,772</u></u>

The notes form part of these financial statements

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(22,313)	45,892
Adjustments for:		
Depreciation charges	11,986	25,781
Losses on investments	3,168	-
Interest received	-	(14)
Decrease/(increase) in debtors	480,833	(193,862)
Decrease in creditors	<u>(57,999)</u>	<u>(95,589)</u>
Net cash provided by/(used in) operations	<u><u>415,675</u></u>	<u><u>(217,792)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	<u>1,034,772</u>	<u>165,675</u>	<u>1,200,447</u>
	<u>1,034,772</u>	<u>165,675</u>	<u>1,200,447</u>
Total	<u><u>1,034,772</u></u>	<u><u>165,675</u></u>	<u><u>1,200,447</u></u>

The notes form part of these financial statements

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

1. STATUTORY INFORMATION

N-Compass towards a brighter future Limited is registered as a charitable company limited by guarantee, and is domiciled in the UK. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company. The Trustees are the members of the charitable company. The charitable company's registered number and principal office are as below:

Registered Charity number: 1128809

Registered Company number: 06845210

Principal Office: 1 Edward VII Quay, Navigation Way, Ashton-On-Ribble, Preston PR2 2YF

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the pound sterling (£).

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

No significant judgements have had to be made by the Trustees in preparing these financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Where the Charity undertakes activities under contracts, income is recognised on a time basis to reflect the services provided. Details of income deferred to a future period are contained in note 16. These amounts will be released to projects in the coming year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment - 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities.

Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charities objectives. Support costs have been allocated to activities on a basis consistent with the use of resources.

3. ACTIVITIES FOR GENERATING FUNDS

	2023 £	2022 £
Student placements	<u>40,200</u>	<u>38,091</u>

4. INVESTMENT INCOME

	2023 £	2022 £
Deposit account interest	<u>-</u>	<u>14</u>

100 % of investment income is related to assets held in the United Kingdom.

5. INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Advocacy	1,730,448	1,427,730
Counselling	371,612	354,916
Carers	<u>4,541,859</u>	<u>4,470,436</u>
	<u>6,643,919</u>	<u>6,253,082</u>

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Advocacy	1,829,558
Counselling	380,441
Carers	4,398,761
Payroll Benchmarking	52,000
Central Service Improvements	<u>42,504</u>
	<u><u>6,703,264</u></u>

Payroll Benchmarking: an exercise to ensure that our salaries are fair in comparison to similar roles in our sector.

Central Service Improvements: to implement changes to the recruitment process, health and safety management and the finance function.

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	11,986	22,832
Computer software amortisation	-	2,949
Operating leases- premises	<u>72,178</u>	<u>190,946</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	3,686,698	3,549,187
Social security costs	301,080	253,394
Other pension costs	338,135	164,391
Redundancy costs	45,800	28,402
Other employee benefits	<u>29,543</u>	<u>26,523</u>
	<u><u>4,401,256</u></u>	<u><u>4,021,897</u></u>

**N-COMPASS TOWARDS A BRIGHTER FUTURE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

9. STAFF COSTS - continued

The average monthly number of full time equivalent employees during the year was as follows:

	2023	2022
Charitable activities	135	125
Other	<u>15</u>	<u>14</u>
	<u>150</u>	<u>139</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	<u>1</u>	<u>1</u>

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The key management personnel of the Charity comprise the Trustees, the Chief Executive Officer, the Services Director, the Peoples Services Director, the Business Development Director and the Finance Director. The total employee benefits of the key management personnel of the Charity were £297,593 (2022: £248,560).

The average monthly headcount in the period was 175 staff (2022: 165).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Advocacy	1,427,730
Counselling	354,916
Carers	4,470,436
Activities for generating funds	38,091
Investment income	<u>14</u>
Total	<u>6,291,187</u>
EXPENDITURE ON	
Charitable activities	
Advocacy	1,605,031
Counselling	372,922
Carers	<u>4,267,342</u>
Total	<u>6,245,295</u>
NET INCOME	45,892
RECONCILIATION OF FUNDS	
Total funds brought forward	1,074,200

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
TOTAL FUNDS CARRIED FORWARD	<u><u>1,120,092</u></u>

11. GOVERNANCE COSTS

	2023 £	2022 £
Indemnity insurance	990	940
Auditors' remuneration	4,680	4,800
	<u>5,670</u>	<u>5,740</u>

Governance costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

12. TANGIBLE FIXED ASSETS

	Office Equipment £
COST	
At 1 April 2022	96,606
Disposals	<u>(7,822)</u>
At 31 March 2023	<u>88,784</u>
DEPRECIATION	
At 1 April 2022	79,637
Charge for year	11,986
Eliminated on disposal	<u>(7,822)</u>
At 31 March 2023	<u>83,801</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>4,983</u></u>
At 31 March 2022	<u><u>16,969</u></u>

**N-COMPASS TOWARDS A BRIGHTER FUTURE
LIMITED**

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

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
Additions	250,000
Revaluations	<u>(3,168)</u>
At 31 March 2023	<u>246,832</u>
NET BOOK VALUE	
At 31 March 2023	<u>246,832</u>
At 31 March 2022	<u>-</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2023 is represented by:

	Listed investments £
Valuation in 2023	(3,168)
Cost	<u>250,000</u>
	<u>246,832</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	261,659	595,651
Prepayments and accrued income	<u>44,455</u>	<u>191,296</u>
	<u>306,114</u>	<u>786,947</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	29,140	132,278
Other creditors	294,406	322,986
Accruals and deferred income	<u>337,051</u>	<u>263,332</u>
	<u>660,597</u>	<u>718,596</u>

Deferred income amounts to £62,883 (2022 £20,742). Of the opening deferred income £5,742 was released to the SOFA.

The amounts deferred comprise time apportioned contracts and service level agreements or funding for projects that were not set up at the year end. These will be released in the current year against relevant projects.

**N-COMPASS TOWARDS A BRIGHTER FUTURE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	66,534	64,599
Between one and five years	250,694	266,136
In more than five years	<u>121,566</u>	<u>122,532</u>
	<u>438,794</u>	<u>453,267</u>

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,070,092	72,191	(78,000)	1,064,283
Central Services Improvement Projects	50,000	(42,504)	-	7,496
Payroll Benchmarking	<u>-</u>	<u>(52,000)</u>	<u>78,000</u>	<u>26,000</u>
	<u>1,120,092</u>	<u>(22,313)</u>	<u>-</u>	<u>1,097,779</u>
TOTAL FUNDS	<u>1,120,092</u>	<u>(22,313)</u>	<u>-</u>	<u>1,097,779</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	6,684,119	(6,608,760)	(3,168)	72,191
Central Services Improvement Projects	-	(42,504)	-	(42,504)
Payroll Benchmarking	<u>-</u>	<u>(52,000)</u>	<u>-</u>	<u>(52,000)</u>
	<u>6,684,119</u>	<u>(6,703,264)</u>	<u>(3,168)</u>	<u>(22,313)</u>
TOTAL FUNDS	<u>6,684,119</u>	<u>(6,703,264)</u>	<u>(3,168)</u>	<u>(22,313)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,074,200	45,892	(50,000)	1,070,092
Central Services Improvement Projects	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
	<u>1,074,200</u>	<u>45,892</u>	<u>-</u>	<u>1,120,092</u>
TOTAL FUNDS	<u>1,074,200</u>	<u>45,892</u>	<u>-</u>	<u>1,120,092</u>

**N-COMPASS TOWARDS A BRIGHTER FUTURE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,291,187	(6,245,295)	45,892
	<u>6,291,187</u>	<u>(6,245,295)</u>	<u>45,892</u>
TOTAL FUNDS	<u>6,291,187</u>	<u>(6,245,295)</u>	<u>45,892</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,074,200	118,083	(128,000)	1,064,283
Central Services Improvement Projects	-	(42,504)	50,000	7,496
Payroll Benchmarking	-	(52,000)	78,000	26,000
	<u>1,074,200</u>	<u>23,579</u>	<u>-</u>	<u>1,097,779</u>
TOTAL FUNDS	<u>1,074,200</u>	<u>23,579</u>	<u>-</u>	<u>1,097,779</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	12,975,306	(12,854,055)	(3,168)	118,083
Central Services Improvement Projects	-	(42,504)	-	(42,504)
Payroll Benchmarking	-	(52,000)	-	(52,000)
	<u>12,975,306</u>	<u>(12,948,559)</u>	<u>(3,168)</u>	<u>23,579</u>
TOTAL FUNDS	<u>12,975,306</u>	<u>(12,948,559)</u>	<u>(3,168)</u>	<u>23,579</u>

The Board of Trustees approved two projects for which the first-year costs were to be allocated to Designated Reserves:

Payroll Benchmarking: an exercise to ensure that our salaries are fair in comparison to similar roles in our sector.

Central Service Improvements: to implement changes to the recruitment process, health and safety management and the finance function.

**N-COMPASS TOWARDS A BRIGHTER FUTURE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for years ended 31 March 2023 and 31 March 2022.