

Company registration number: 05695511

Charity registration number: 1131360

K.C.U. Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

David Turner - AIMS Accountancy
32 Caxton House
Northampton Science Park
Kings Park Road, Moulton Park
Northampton
NN3 6LG

K.C.U. Ltd

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K.C.U. Ltd

Reference and Administrative Details

Trustees	Victoria Boulton, (Chairperson) Simon Cox Patricia Dewar Scott Edwards (appointed 16 July 2024) Julian Payne, (Treasurer) Victoria Perry Jessica Scrimshaw (appointed 16 July 2024) Ian Watts (resigned 8 May 2024)
Principal Office	51 Gold Street Kettering Northamptonshire NN16 8JB
Company Registration Number	05695511
Charity Registration Number	1131360
Independent Examiner	David Turner - AIMS Accountancy 32 Caxton House Northampton Science Park Kings Park Road, Moulton Park Northampton NN3 6LG

K.C.U. Ltd

Strategic Report for the Year Ended 31 March 2025

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2025, in compliance with s414C of the Companies Act 2006.

Objectives, priorities and activities

KCU exists to relieve and prevent social and economic disadvantage through the provision of support, advice and services. Our charitable objects underpin everything we do. These are:

- a) Provide a place or places where unwaged, unemployed and people on low incomes can meet for social, cultural, and educational purposes and have access to other supportive services that assist them and help them escape from or avoid social exclusion and isolation
- b) Provide information, guidance, advice, counselling, advocacy and other support relevant to the problems of those using the facilities provided
- c) Secure or provide the fullest possible range of opportunities and ancillary services for learning, creativity, and self-expression
- d) Enable and support users of the facilities provided to represent their views and interests for the wider community and other agencies

To support achievement of our charitable objects, our revised strategic plan priorities (2024-2027) are:

- I. **Focus on work to help address poverty and the causes of poverty** by continuing to provide access to food, specialist debt and benefit support, and supporting the most vulnerable through the provision of mentoring/befriending, volunteering roles and by offering education and learning opportunities alongside opportunities to gain skills and experience through various volunteering roles.
- II. **Continue our education and learning provision** by maintaining and building on KCU's partnership with key education and learning providers to offer a range of courses/workshops including approaches to support confidence and better mental health and wellbeing; researching potential funding opportunities to continue providing ESOL (English for Speakers of Other Languages), mentor/befriender and upcycling courses delivered directly by KCU; seeking funding to improve community use computers.
- III. **Continue our journey to become a fully inclusive organisation** by responding to the needs of all who use our service through mentoring/befriending; continuing support for refugees and asylum seekers; increasing volunteer engagement to better represent our community; using our principles to respond to an ever-changing environment, to guide and justify decision making and to underpin flexibility to adapt.
- IV. **Take opportunities to promote and practice work to reduce the negative impacts of climate change** by increasing our contribution to address negative impacts on our environment through upcycling/recycling workshops, reducing food waste through cooking classes and seeking funding to sustain upcycling/recycling activity to keep items out of landfill.

To deliver our objects and subsequent strategic priorities, we provide a range of crisis and transitional services to help people move to a better place in their lives. We also aim to be a provider of choice, and our partners continually tell us to 'keep doing what you are doing and in the way that you do it'. To retain our focus on 'the way we do things' as well as 'what we do', we reflect on our principles to evaluate activities and to inform decision making. These are:

K.C.U. Ltd

Strategic Report for the Year Ended 31 March 2025

- We want people to feel safe, welcomed and that they belong
- We want to work side by side with everyone
- We will listen
- We want to build open and honest relationships, trusting others and being trustworthy ourselves
- We want people to feel valued, included and respected
- We want to support each individual on their own journey of growth and aspirations
- We are clear and realistic, we are facilitators, offering space to grow within appropriate boundaries, guidance and resources
- We will be persistent, flexible and resilient, continuously learning to inform and improve, sharing that learning with others

Our main services and initiatives are summarised below.

Food with dignity

Our non-traditional food provision operates a 'hub and spoke' model. People do not have to get a food voucher, take this to an identifiable foodbank in their community then repeat their story again. Food parcels (packed by volunteers in our central hub) are delivered to partner organisations (e.g. providing services across benefits and debt; children and families; housing/homelessness; credit union). People are hence treated with dignity through discreet access to food at the first point of contact, whilst also getting the support of the relevant organisation to help address the reasons why they needed food support in the first place. During the year, we continued discreet food support for staff at our local hospital who are struggling to make ends meet as a result of the economic crisis also where the needs presented, we added specialist support, financial inclusion and expanded our provision to meet the needs of those who seek food support from 10 partners to 14.

Holiday Rangers

Building on our dignity model, with Groundwork Northamptonshire, we deliver a 'Holiday Rangers' club at their community allotment for families who fall into food insecurity during school holidays. Children learn about the environment, wildlife, engage in physical and educational activities, increase their networks and are fed during the day. Whilst there, they cook a family meal to take home and are provided with a duplicate set of ingredients to practice recipes. This means families experiencing 'holiday hunger' receive 2 cooked meals each week in addition to food parcels where needed. Children (aged 8-16 years) of families known to fall into food insecurity are discreetly referred by schools. Through funding we have developed the Dignity Project which previously provided a pre-owned appliances to homes in the Kettering district, to a county wide model (Home Improvement Project) which provide appliances to households across Northamptonshire.

Upcycling/recycling

We operate an upcycling/recycling project from our charity shops. Free learner workshops are also provided where individuals learn and practice upcycling/recycling skills, with Maths embedded to enable functional maths to become more accessible to the user. Our Upcycling model reduces the number of items taken to landfill, with students either keeping their work or the items being sold through our shops and new skills are learned to 'have a go' at home-based projects.

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Strategic Report for the Year Ended 31 March 2025

Mentoring/befriending

Our mentoring/befriending supports vulnerable people and those with complex needs to deal with issues to get the most from their volunteering or work experience (befriending), then when ready, helps them achieve and find solutions to their own work and life goals (mentoring). Through building competence and confidence, this enables people to reach their full potential who might not be given such opportunities elsewhere.

Education and learning centre

In partnership with other education and learning providers, we provide free courses for those on low income or unemployed. Delivered in a 'non-institutional' environment, this attracts people who have not had good experiences of formal educational settings in the past. Mentors/befrienders support individuals who need extra help to engage fully in their learning. Courses during the year focus on IT skills as more services are online since the pandemic and through local government reform. ESOL (English for Speakers of Other Languages) courses assist with the increasing number of refugees in the area. During the year we have also started courses for volunteers to develop their soft skills, building confidence to tackle issues in their role and in their home.

Volunteering and work experience

Supported by our Volunteer Engagement Manager and the wider staff team, we continue our journey to become a fully inclusive organisation, offering volunteering and work experience to help people reach their potential, including for those who might not be given such opportunities elsewhere due to the complexity of their needs.

The strategic report was approved by the trustees of the charity on 10/09/2025 and signed on its behalf by:



Julian Payne
Trustee

K.C.U. Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2025.

Achievements and performance

The year continued to bring challenges with the change in government, cost of living crisis affecting people's financial stability and subsequent health and wellbeing. This not only created ongoing demands on our services, but also reduced donations of food and household goods, as more people struggled to make ends meet and become more reliant on our services. Despite the challenges, the year brought opportunities for support to help meet those demands. For example, the Household Support Fund (HSF) devolved to local authorities for distribution, enabling us to secure further financial support throughout the year to meet ongoing demands for food and through expanding our essential white goods support across North Northamptonshire.

Many beneficiaries access more than one KCU service to achieve their desired outcomes. During the year, we calculate around 11,000 different people benefited from our services. This figure reflects some are multi-service users due to the complexity of their needs.

For many, their engagement as service users has led them to become volunteers with us. Others have gained the confidence and experience to secure employment, pursue further education, or even start their own projects with KCU initiatives that have evolved alongside their needs, such as moving from wellbeing drop-ins to initiatives like 'Mood Food' and 'Gratitude Art'

We continued to partner with CANN to improve pathways to address financial hardship. The year, saw £197,153 income generated (e.g. benefits) for local people and £134,366 debt being managed. Our discreet food support continues. In the year, 2276 3-day food parcels were supplied to 3616 people (of which 2710 were adults and 906 were children). In addition, vouchers for food and/or fuel were distributed through Cadent, as part of the Trussell partnership.

The Project also saw an increase in referrals for white goods (129 referrals) - providing essential appliances for 306 people in households supported. As a result of our wrap around provision, we continue to help people access other services both internally and those of our specialist partners where needed

Our non-institutionalised education and learning provision helps re-engage adults back into learning (with feedback stating they would not attend formal institutions due to past negative experiences). Through mentoring/befriending, service users and volunteers are often helped to reach their full potential by providing additional support often not available in other settings. In the year, 323 student places were filled through 43 courses.

We now have 86 individuals in our volunteer pool. Our volunteering profile continues to diversify, with more young people joining us. Additional funding has enabled us to recruit more volunteers to support these young people through our mentoring service. Targeted training focused on youth mental health, community engagement, and trauma-informed care has equipped our mentors to provide effective, empathetic support as they walk alongside the young people they serve.

We continue to develop and learn from what we offer and how we deliver our services and have shared this learning with partners. We continue to implement a programme of activity (started last year) to future-proof KCU to continue to achieve strategic priorities and objects in a changing and turbulent environment. This includes work streams reflecting on governance, financial sustainability and stability, human resources (staff/volunteers) and marketing and communications.

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Trustees' Report

Future plans

Our future plans include delivery of our strategic plan priorities previously noted, while retaining effective services. Our reflections on the year have further reinforced the importance of an integrated services and partnership approach to enable flexibility to meet our objectives and the diverse needs of those we support. We continue to work towards becoming a fully inclusive organisation co-producing internal workshops for volunteers to enhance their lives, part of which is to give opportunities to those who are socially and economically marginalised.

Financial review

Our finances remained strong through grants, public and company donations and maintaining pre-pandemic shop income. A new Funding Strategy was rolled out and has recently been adopted to support delivery of the Strategic Plan. This looks back at the previous strategy, presents a financial analysis of funding sources over previous years, followed by key actions for longer-term sustainability. Trustees (as part of good financial management) set aside from unrestricted free reserves a General Reserve of a minimum of 6 months running costs of the Charity. Due to increased costs, this will continue to be reviewed annually.

Structure, governance and management

KCU is a company limited by guarantee as defined by the Companies Act 2006. Trustees are directors of the company and have directors' responsibilities. Also, as a registered charity, Trustees have duties set out by the Charity Commission. KCU operates within its Memorandum and Articles of Association (reviewed in 2021). Trustees recognise their major responsibility is to ensure good and appropriate governance of KCU in accordance with Charity Commission guidelines and to have due regard to the Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The election process for a Trustee is by nomination at a Board meeting and being seconded by an existing trustee. A vote is then taken where a majority is required. Trustees are from a variety of backgrounds relevant to supporting the work of the Charity, and re-election takes place at the AGM.

During the year, the new Senior Management Team (SMT) structure and systems continued to be implemented, transitioning from a two-director model to a single CEO. Trustees also continue to hold lead roles that support and work alongside the CEO. These roles focus on areas such as governance, finance, safeguarding, marketing and communications, and human resources.

Risk management

Risk management continues to be embedded in all aspects of our work, covering both strategic and operational risks. As part of the Strategic Plan review, key risks that KCU may currently face or could face in the future were identified. A formal risk assessment and management approach is in place and, as before, is reviewed at least annually. This includes actions to mitigate risks where appropriate. Risk matters are regularly discussed, and updates, including emerging risks, are reported to the Board of Trustees. Where actions have been taken under delegated authority or where new risks require attention, Board endorsement is sought as needed.

K.C.U. Ltd

Trustees' Report

The annual report was approved by the trustees of the charity on 10/09/2015 and signed on its behalf by:



Julian Payne
Trustee

K.C.U. Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of K.C.U. Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 10/09/2025 and signed on its behalf by:



Julian Payne
Trustee

K.C.U. Ltd

Independent Examiner's Report to the trustees of K.C.U. Ltd

I report on the accounts of the charity for the year ended 31 March 2025 which are set out on pages 10 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

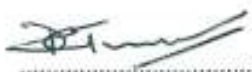
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Turner, AIMS Accountancy
the Institute of Chartered Accountants in England and Wales

32 Caxton House
Northampton Science Park
Kings Park Road, Moulton Park
Northampton
NN3 6LG

Date: 10/09/2025

K.C.U. Ltd

**Statement of Financial Activities for the Year Ended 31 March 2025
(Including Income and Expenditure Account and Statement of Total
Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	23,859	19,370	43,229
Charitable activities	4	57,219	156,276	213,495
Investment income	5	3,874	-	3,874
Total Income		<u>84,952</u>	<u>175,646</u>	<u>260,598</u>
Expenditure on:				
Charitable activities	6	<u>(190,465)</u>	<u>(129,446)</u>	<u>(319,911)</u>
Total Expenditure		<u>(190,465)</u>	<u>(129,446)</u>	<u>(319,911)</u>
Net (expenditure)/income		(105,513)	46,200	(59,313)
Transfers between funds		<u>69,605</u>	<u>(69,605)</u>	<u>-</u>
Net movement in funds		(35,908)	(23,405)	(59,313)
Reconciliation of funds				
Total funds brought forward		<u>119,706</u>	<u>168,999</u>	<u>288,705</u>
Total funds carried forward	12	<u>83,798</u>	<u>145,594</u>	<u>229,392</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	41,901	-	41,901
Charitable activities	4	45,591	257,414	303,005
Investment income	5	4,228	-	4,228
Total Income		<u>91,720</u>	<u>257,414</u>	<u>349,134</u>
Expenditure on:				
Charitable activities	6	<u>(124,847)</u>	<u>(211,321)</u>	<u>(336,168)</u>
Total Expenditure		<u>(124,847)</u>	<u>(211,321)</u>	<u>(336,168)</u>
Net (expenditure)/income		<u>(33,127)</u>	<u>46,093</u>	<u>12,966</u>
Net movement in funds		(33,127)	46,093	12,966
Reconciliation of funds				
Total funds brought forward		<u>152,833</u>	<u>122,906</u>	<u>275,739</u>
Total funds carried forward	12	<u>119,706</u>	<u>168,999</u>	<u>288,705</u>


All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2024 is shown in note 12.

K.C.U. Ltd

(Registration number: 05695511)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	147	195
Current assets			
Debtors	10	16,514	6,734
Cash at bank and in hand		<u>218,521</u>	<u>289,195</u>
		235,035	295,929
Creditors: Amounts falling due within one year	11	<u>(5,790)</u>	<u>(7,419)</u>
Net current assets		<u>229,245</u>	<u>288,510</u>
Net assets		<u>229,392</u>	<u>288,705</u>
Funds of the charity:			
Restricted funds		145,594	168,999
Unrestricted income funds			
Unrestricted funds		<u>83,798</u>	<u>119,706</u>
Total funds	12	<u>229,392</u>	<u>288,705</u>

The financial statements on pages 10 to 22 were approved by the trustees, and authorised for issue on 10/09/2025 and signed on their behalf by:


Julian Payne
Trustee

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

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

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) (effective 1 January 2015) - (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

K.C.U. Ltd 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.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

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.

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

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.

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.

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's meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £0.00 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

Furniture and equipment

Depreciation method and rate

25% reducing balance basis

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

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.

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds		Restricted funds		Total 2025 £	Total 2024 £
	General £		£			
Donations and legacies;						
Donations from individuals	23,859		19,370		43,229	41,901
	<u>23,859</u>		<u>19,370</u>		<u>43,229</u>	<u>41,901</u>

4 Income from charitable activities

	Unrestricted funds		Restricted funds		Total 2025 £	Total 2024 £
	General £		£			
North Northamptonshire Council	-		-		-	128,525
NNC HFS3	-		-		-	6,000
Tudor trust	-		-		-	20,000
National Lottery - Dignity in Crisis	-		67,201		67,201	58,681
National Lottery - IT	-		-		-	18,708
Other - Dignity in Crisis	-		-		-	500
Garfield Weston	-		-		-	25,000
Shop Income	45,253		-		45,253	33,868
Other	5,788		-		5,788	11,723

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	General £	£	£	£
The Trussell Trust	6,178	41,185	47,363	-
Warm Spaces	-	1,500	1,500	-
Course Support Fund	-	8,644	8,644	-
Daylight Centre	-	35,000	35,000	-
Ground Works	-	2,746	2,746	-
	<u>57,219</u>	<u>156,276</u>	<u>213,495</u>	<u>303,005</u>

5 Investment income

	Unrestricted funds	Total 2025	Total 2024
	General £	£	£
Other investment income	<u>3,874</u>	<u>3,874</u>	<u>4,228</u>

6 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	General £	£	£	£
Staff costs	117,010	1,260	118,270	110,416
Allocated support costs	9,007	111,936	120,943	126,835
Governance costs	<u>64,448</u>	<u>16,250</u>	<u>80,698</u>	<u>98,917</u>
	<u>190,465</u>	<u>129,446</u>	<u>319,911</u>	<u>336,168</u>
	Activity undertaken directly £	Grant funding of activity £	Total 2025 £	Total 2024 £
Employment Costs	117,010	1,260	118,270	110,416
Telephone	14,095	96	14,191	14,067
Office Costs, Running Costs	2,340	129	2,469	4,301
Sundries	3,742	-	3,742	925
Volunteer & Staff Training	-	-	-	1,198
Volunteer Expenses	-	-	-	6,233
DBS Checks	-	-	-	53
Course Expenses	1,000	8,642	9,642	3,882
Other Grant Expenditure	9,007	111,936	120,943	126,835

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

	Activity undertaken directly £	Grant funding of activity £	Total 2025 £	Total 2024 £
Vehicle Hire	-	-	-	3,427
Premises Rent & Room Hire	12,953	3,237	16,190	21,692
Travel, subsistence & mileage	3,541	2,083	5,624	400
Equipment - Including Computer	1,448	-	1,448	19,272
Repairs and Renewals	2,592	1,271	3,863	239
Bank and other Charges	816	11	827	87
Rates and Water	4,406	470	4,876	965
Professional Fees	40	-	40	10,720
Insurance	1,574	-	1,574	907
Heat, Lighting, Cleaning	10,412	-	10,412	7,904
Independent Examination, and Accounting	1,536	-	1,536	2,580
Depreciation	48	-	48	65
Advertising	130	-	130	-
Trade Subscriptions	3,775	311	4,086	-
	<u>190,465</u>	<u>129,446</u>	<u>319,911</u>	<u>336,168</u>

£190,465 (2024 - £124,847) of the above expenditure was attributable to unrestricted funds and £129,446 (2024 - £211,321) to restricted funds.

7 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	112,149	105,623
Social security costs	3,990	2,953
Pension costs	2,131	1,840
	<u>118,270</u>	<u>110,416</u>

The equivalent number of full time employees: 5 (2024: 5)

During the year the trustees received no remuneration (2024: £nil). The total expenditure reimbursed to the trustees amounted to £nil (2024: £nil).

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

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2024	35,331	35,331
At 31 March 2025	35,331	35,331
Depreciation		
At 1 April 2024	35,136	35,136
Charge for the year	48	48
At 31 March 2025	35,184	35,184
Net book value		
At 31 March 2025	147	147
At 31 March 2024	195	195

10 Debtors

	2025 £	2024 £
Prepayments	604	686
Other debtors	15,910	6,048
	16,514	6,734

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	-	3,350
Other taxation and social security	-	1,838
Other creditors	4,453	-
Accruals	1,337	2,231
	5,790	7,419

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

12 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
General	(115,729)	(84,952)	190,465	(69,605)	(79,821)
Designated	<u>(3,977)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,977)</u>
Total unrestricted funds	(119,706)	(84,952)	190,465	(69,605)	(83,798)
Restricted funds	<u>(168,999)</u>	<u>(175,646)</u>	<u>129,446</u>	<u>69,605</u>	<u>(145,594)</u>
Total funds	<u>(288,705)</u>	<u>(260,598)</u>	<u>319,911</u>	<u>-</u>	<u>(229,392)</u>

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	(152,833)	(91,720)	124,847	(119,706)
Restricted funds	<u>(122,906)</u>	<u>(257,414)</u>	<u>211,321</u>	<u>(168,999)</u>
Total funds	<u>(275,739)</u>	<u>(349,134)</u>	<u>336,168</u>	<u>(288,705)</u>

13 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	(147)	-	(147)
Current assets	(89,441)	(145,594)	(235,035)
Current liabilities	<u>5,790</u>	<u>-</u>	<u>5,790</u>
Total net assets	<u>(83,798)</u>	<u>(145,594)</u>	<u>(229,392)</u>

K.C.U. Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

14 Analysis of net funds

	At 1 April 2024 £	Cash flow £	At 31 March 2025 £
Cash at bank and in hand	289,195	(70,674)	218,521
Net debt	<u>289,195</u>	<u>(70,674)</u>	<u>218,521</u>