

**PRIDE OF SEFTON**

Report and Financial Statements

Year ended 31 March 2024

Company Number: 07020791

Charity Number: 1144393

## **Pride of Sefton**

### **Report and Financial Statements for the year ended 31 March 2024**

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## Pride of Sefton

### Directors, Trustees and Advisors for the year ended 31 March 2024

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#### Directors and trustees

The directors of the charitable company (the "Charity") are its trustees for the purpose of charity law. The trustees serving during the year and since the year end were as follows.

#### Name

James Brett	Non-executive - Chair
William McGarry	Non-executive
Christopher Walker	Non-executive
Tracey Liggett	Executive
Ian Fazakerley	Executive

#### Registered number

Company number: **07020791**  
Charity number: **1144393**

#### Company secretary and registered office

Jennifer Cureton  
Pride of Sefton  
The Sovini Group  
Unit 1  
Heysham Road  
Liverpool  
L30 6UR

#### Auditor

BDO LLP  
Eden Building  
Irwell Street  
Salford  
Manchester  
M3 5EN

#### Principal solicitors

Weightmans LLP  
100 Old Hall St  
Liverpool  
L3 9QJ

#### Bankers

Royal Bank Of Scotland  
Merseyside Cheshire & North Wales, Corporate Banking  
1st Floor  
2-8 Church Street  
Liverpool  
L1 3BG

## **Pride of Sefton**

### **Chair's Statement for the year ended 31 March 2024**

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The Pride of Sefton has been providing boat trips to underprivileged and disabled people as well as educational trips for the local community for over 35 years. These trips are financed through a combination of donations, grants and commercial trips, which are made available to the general public.

The trustees continue to review and consider the future activities of the charity. During the last four years the charity has been through significant change and faced many challenges including but not limited to the Covid-19 outbreak, the cost of living crisis and more recently the operational reliability of the boat. Despite all of this the Pride of Sefton remains focussed on the achievement of our aims and objectives, appreciating the positive impact that our trips have on the mental and physical health and wellbeing of our customers.

Post pandemic we took great strides towards returning to full trip provision and this was showcased in 2023 when we were able to offer over 170 trips, a service high provision for the last eight years. Unfortunately, early in this season the Pride of Sefton suffered a major engine failure which resulted in significant costs to replace the engine. The charity takes its responsibilities to its volunteers and customers extremely seriously and continues to prioritise their safety and the quality of their overall boat trip experience. Therefore we could no longer provide trips for the 2023/24 season whilst these repairs were undertaken. Thankfully we had the continued support of the Sovini Group to assist us through this period, donating their services for the year and supporting our fundraising drive which raised £15k to enable the Pride of Sefton to source and install a new engine, and be fully operational ready for the 2024/25 and future seasons.

As part of our long term recovery programme Sovini Limited have supported our governance and stabilised our financial position, and we now feel well placed to operate more self sufficiently. As such we are now seeking new opportunities to either become a sole charity again or work with another like minded charity in the region. We are currently in discussions with the Florence Institute Trust who share our vision and would be willing to support our next stage of development. We intend to enter an operational agreement with the Florence Institute Trust to manage our volunteers and run the service whilst we review our regulatory ownership and consider the potential of a transfer of ownership.

Together we believe that we are in a strong position to continue to grow and demonstrate the social value outcomes that we create, both the charity and individually for our customers. We believe that 2024 and beyond, will bring new and exciting opportunities for the charity which we intend to harness, whilst navigating the new operating environment in which we now work.



**James Brett (chair of the trustees)**  
**21 August 2024**

## **Pride of Sefton**

### **Report of the Trustees for the year ended 31 March 2024**

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The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2024, which are also prepared to meet the requirements for a trustees' report and accounts for Companies Act 2006 purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

#### **Our purposes and activities**

The objects of Pride of Sefton are to promote the education and recreation of persons living in the Borough of Sefton by providing a narrow boat, such persons having need to those facilities by reason of youth, age, infirmity or disablement, poverty or social economic circumstances. In considering the objectives and activities, the trustees' have considered Charity Commission guidance on Public Benefit to ensure that the charity continues to meet its Public Benefit requirements.

#### **Governing documents**

The Pride of Sefton is a registered charity (Charity Number 1144393) governed by its Memorandum and Articles of Association dated 16 September 2009 (amended on joining the Sovini group on 8 July 2016). It is registered with the Charity Commission and is also a Company Limited by Guarantee (Company Number 07020791). The charity is a subsidiary of Sovini Charities Limited, a charitable holding company. It is also a subsidiary of Sovini Limited which remains the ultimate parent undertaking.

#### **Key achievements and performance**

The main focus of the Pride of Sefton is the provision of boat trips to underprivileged and disabled people as well as educational trips for the local community of Sefton. Where feasible these trips are financed through a combination of donations and grants. The Pride of Sefton also raise money by hiring out the boat on a commercial basis to third parties, including members of the general public.

During the current year the Charity's financial performance resulted in a deficit of £4,231 relating to unrestricted funds (2023: £10,967 deficit), £1,478 deficit relating to restricted funds (2023: £4,859 deficit), resulting in an overall deficit of £5,709 (2023: £15,826 deficit). This performance is reflective of increased income from donations, however offset by increased operating costs in relation to an engine replacement required during the year.

#### **Structure, governance and management**

The Board of Trustees also forms the Executive Committee who are responsible for any appointments of staff who are responsible for the day-to-day running of the charity. Pride of Sefton is managed and governed by the trustees' who hold regular board meetings and agenda items include finance, health and safety and other operational reports.

#### **Charity Governance Code**

The Charity Governance Code is designed as a tool to support continuous improvement. The Board, having reviewed the Code's key principles, considers its governance structure and arrangements to be appropriate for the nature of the charity's operations, and as such has decided not to formally adopt the Code. The Board does however regularly revisit the Code's key principles to ensure that the highest standards of governance are maintained.

#### **Financial review**

Income for the year totalled £48,928 (2023: £25,688) of which £15,000 (2023: £nil) related to funding activities upon which restrictions are placed. Expenditure totalled £54,637 (2023: £41,514), resulting in a deficit of £5,709 (2023: £15,826). At 31 March 2024, the trust's reserves stood at £56,304 (2023: £62,013) of which, fixed assets (narrow boat) represented £51,629 (2023: £56,508).

#### **Our pricing policy**

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities. Concessionary tickets are available to eligible persons.

#### **Investment powers and policy**

The trustees, having regard to the liquidity requirements of operating the boat, have kept available funds in an interest-bearing deposit account and seek to achieve the best possible rate of interest on these deposits.

## Pride of Sefton

### Report of the Trustees for the year ended 31 March 2024 (continued)

#### Reserves policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to at least three months of operational charitable expenditure: a target of approximately £4,136 based on budgeted indirect expenditure for the next financial year (2024/25). The charity's free reserves currently stand at £1,674 (2023: £1,160) and the trustees have retained access to a £20,000 revolving credit facility should the need ever arise. The trustees consider that this level will provide sufficient funds for short-term solutions until the long-term ones are established in the events of:

- unforeseen reduction in income to prevent any significant disruption to POS's charitable activities;
- unforeseen day-to-day operational costs, e.g. break down of essential equipment or legal costs associated with defending the charity's interests; and
- unplanned closure of the charity to mitigate the negative impact on our beneficiaries and to meet legal liabilities (e.g. outstanding contractual obligations and statutory payments).

#### Future Prospects

During the coming years the charity plans to review and where possible expand its service offer to customers. The safety and health of our staff, volunteers and customers is paramount, and a particular focus will be on ensuring that our service offer considers and accommodates the needs of our broad and more vulnerable customers. We continue to scrutinise and reduce where possible our operating costs, so that we can reinvest these savings to extend our charitable work and the number of trips and educational experiences that we can fulfil. As well as maximising where possible, the availability of grant and other donations.

We are currently in discussions with the Florence Institute Trust who share our vision and would be willing to support our next stage of development. We intend to enter an operational agreement with the Florence Institute Trust to manage our volunteers and run the service whilst we review our regulatory ownership and consider the potential of a transfer of ownership.

#### Financial instruments

##### Credit risk

Credit risk is the risk of financial loss to the charity if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The following financial institutions were used and the credit ratings were acceptable to the trustees'.

	Rating at 31 March 2024	Balance at 31 March 2024 £	Rating at 31 March 2023	Balance at 31 March 2023 £
RBS	P-1/A-1/F1	8,359	P-1/A-1/F1	16,612
		8,359		16,612

##### Liquidity risk

Liquidity risk arises from the charity's management of working capital and any finance charges and principal repayments on debt instruments. It is the risk that the charity will encounter difficulty in meeting its financial obligations as they fall due.

Rolling cash flow projections are prepared regularly, together with the value of the charity's cash investments. At the end of the financial year, these projections indicated that the company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

##### Cash flow interest rate risk

The company is not currently exposed to cash flow interest rate risk from borrowings at variable rate.

## **Pride of Sefton**

### **Report of the Trustees for the year ended 31 March 2024 (continued)**

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#### **Risk and uncertainty**

The main risks, to which the charity is exposed, as identified by the trustees, have been considered and systems have been established to mitigate those risks.

This strategy comprises:

- an annual review of the principal risks and uncertainties that the charity face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

#### **Going concern**

In the final quarter of 2023/24 trustees reviewed the latest budget forecasts to ensure that we could continue to support our operations, including the ongoing application and use of grant assistance. This is in addition to the availability of £20,000 Revolving Credit Facility with Sovini Commercial Limited (another Sovini Group partner) which, remains undrawn.

During the year the boat suffered an engine failure which has required an engine replacement for £15,000. This replacement was fully funded by a donation received and so has not impacted existing reserves or required drawdown from the £20,000 revolving credit facility. As a result of the engine failure, we had a large volume of trips cancelled and refunded, and so our operating activity was minimal in year. Despite this, and with the support of the Sovini Group, we managed to minimise our operating loss to a £1k cash deficit.

Our forecast performance for 2024/25 has been approved with the initial assumption of no trading activity, to ensure prudence, and under such circumstances we are forecast to have a small/break-even cash surplus. But to further give assurance over the ongoing viability of the charity we have a legally binding letter of support from ultimate parent company Sovini Limited.

As such, we remain confident that the Pride of Sefton has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern basis in preparing these financial statements.

#### **Auditors**

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which, the auditors are unaware.

#### **Approval**

In preparing this report, the trustees' have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Signed on behalf of the trustees'.



**James Brett (chair)**  
**21 August 2024**

## **Pride of Sefton**

### **Trustees Responsibilities in Relation to the Financial Statements for the year ended 31 March 2024**

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#### **Trustees responsibilities**

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006/Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Pride of Sefton**

### **Independent Auditor's Report for the year ended 31 March 2024**

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#### **Independent Auditor's Report to the members of Pride of Sefton**

##### ***Opinion***

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 2024 and of its incoming resources and application of resources 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.

We have audited the financial statements of Pride of Sefton ("the Charitable Company") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

##### ***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's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### ***Independence***

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

##### ***Conclusions related 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 Report and Financial Statements, 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. 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 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.

##### ***Other Companies Act 2006 reporting***

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

- the information given in the Trustees' Report, which includes the Directors' prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

## **Pride of Sefton**

### **Independent Auditor's Report for the year ended 31 March 2024**

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#### **Independent Auditor's Report to the members of Pride of Sefton (continued)**

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 Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### ***Responsibilities of Trustees***

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

#### ***Auditor's responsibilities for the audit of the financial statements***

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### ***Extent to which the audit was capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### ***Non-compliance with laws and regulations***

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Charities Statement of Recommended Practice (SORP), Charities Act 2011, Companies Act 2006, Charity Commission for England and Wales (Charity Commission) regulations and Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

## Pride of Sefton

### Independent Auditor's Report for the year ended 31 March 2024

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#### Independent Auditor's Report to the members of Pride of Sefton (continued)

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
  - o Detecting and responding to the risks of fraud; and
  - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement

Based on our risk assessment, we considered the areas most susceptible to fraud to be income recognition around year end and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of income throughout the year to supporting documentation; and
- Assessing significant estimates made by management for bias, including valuation of tangible fixed assets by review of impairment indicators.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### *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 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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



911B7AE40D374FC

**Sarah Anderson (Senior Statutory Auditor)**

**For and on behalf of BDO LLP, Statutory Auditor**

**Manchester, UK**

**Date: 21 August 2024**

*BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).*

# Pride of Sefton

## Statement of Financial Activities for the year ended 31 March 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
<b>Income</b>							
Donations and legacies	4	24,519	15,000	39,519	5,220	-	5,220
Income from charitable activities	5						
Boat hire		7,680	-	7,680	20,401	-	20,401
Grants received		1,600	-	1,600	-	-	-
Investment income	6	129	-	129	67	-	67
<b>Total income</b>		33,928	15,000	48,928	25,688	-	25,688
<b>Expenditure</b>							
Expenditure on charitable activities	7	38,159	16,478	54,637	36,148	1,889	38,037
Loss on disposal of intangible asset		-	-	-	507	2,970	3,477
<b>Total expenditure</b>		38,159	16,478	54,637	36,655	4,859	41,514
<b>Net expenditure and net movement in funds for the year</b>		(4,231)	(1,478)	(5,709)	(10,967)	(4,859)	(15,826)
<b>Reconciliation of funds</b>							
Total funds brought forward		56,494	5,519	62,013	67,461	10,378	77,839
Current year		(4,231)	(1,478)	(5,709)	(10,967)	(4,859)	(15,826)
<b>Total funds carried forward</b>		52,263	4,041	56,304	56,494	5,519	62,013

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

All income and expenditure derive from continuing activities.

The notes on pages 15 to 25 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 August 2024.



James Brett (chair of trustees, on behalf of the trustees)

21 August 2024

# Pride of Sefton

## Statement of Financial Position as at 31 March 2024

Company number: 07020791

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible fixed assets	14	51,629	56,508
		51,629	56,508
<b>Current assets</b>			
Debtors	15	1,055	1,361
Cash at bank and in hand		8,359	16,612
		9,414	17,973
<b>Current liabilities</b>			
Creditors: amounts falling due within 1 year	16	4,739	12,468
<b>Net current assets</b>		4,675	5,505
<b>Total assets less current liabilities</b>		56,304	62,013
<b>Net assets</b>		56,304	62,013
<b>The funds of the charity</b>			
Unrestricted funds	18	52,263	56,494
Restricted funds	18	4,041	5,519
<b>Total funds</b>		56,304	62,013

The notes on pages 15 to 25 form part of these financial statements.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 August 2024.



James Brett (chair of trustees, on behalf of the trustees)  
21 August 2024

Pride of Sefton

Statement of Cash Flows  
for the year ended 31 March 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net movement in funds		(5,709)	(15,826)
Add back depreciation/amortisation charge	10	4,879	5,205
Deduct interest income shown in investing activities	6	(129)	(67)
Decrease in debtors	15	306	2,774
(Decrease)/increase in creditors	16	(7,729)	1,191
Loss on disposal of intangible asset		-	3,477
<b>Cash used in by operating activities</b>		<b>(8,382)</b>	<b>(3,246)</b>
<b>Cash flows from investing activities</b>			
Interest income	6	129	67
<b>Cash generated by investing activities</b>		<b>129</b>	<b>67</b>
<b>Decrease in cash and cash equivalents</b>		<b>(8,253)</b>	<b>(3,179)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>16,612</b>	<b>19,791</b>
<b>Cash and cash equivalents at end of year</b>		<b>8,359</b>	<b>16,612</b>

The notes on pages 15 to 25 form part of these financial statements.

## **Pride of Sefton**

### **Notes Forming Part of the Financial Statements for the year ended 31 March 2024**

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## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

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#### 1 Legal status

Pride of Sefton is a registered charity in England, number 1144393 and a limited company by guarantee, number 07020791, the company was established on 16 September 2009.

#### 2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### *Basis of preparation*

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pride of Sefton meets the definition of a public benefit entity under FRS 102.

##### *Going concern*

In the final quarter of 2023/24 trustees reviewed the latest budget forecasts to ensure that we could continue to support our operations, including the ongoing application and use of grant assistance. This is in addition to the availability of £20,000 Revolving Credit Facility with Sovini Commercial Limited (another Sovini Group partner) which, remains undrawn.

During the year the boat suffered an engine failure which has required an engine replacement for £15,000. This replacement was fully funded by a donation received and so has not impacted existing reserves or required drawdown from the £20,000 revolving credit facility. As a result of the engine failure, we had a large volume of trips cancelled and refunded, and so our operating activity was minimal in year. Despite this, and with the support of the Sovini Group, we managed to minimise our operating loss to a £1k cash deficit.

Our forecast performance for 2024/25 has been approved with the initial assumption of no trading activity, to ensure prudence, and under such circumstances we are forecast to have a small/break-even cash surplus. But to further give assurance over the ongoing viability of the charity we have a legally binding letter of support from ultimate parent company Sovini Limited.

As such, we remain confident that the Pride of Sefton has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern basis in preparing these financial statements.

##### *Income*

Income is recognised when services have been rendered regardless of when cash is received, using the accruals method of accounting, deferring income relating to services not fulfilled in the period.

Voluntary income is recognised when receivable, as in the case of the third party donations, upon receipt by the charity. Investment income comprises bank interest received and is recognised when credited to the bank account.

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

##### *Interest receivable*

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

##### *Fund accounting*

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Restricted funds are donations that the donor has specified are to be solely used for particular areas of the charity's work.



## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 2 Accounting policies (continued)

##### *Expenditure and irrecoverable VAT*

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### *Allocation of 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 that support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the notes.

##### *Tangible fixed assets*

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on basis as follows:

Asset Category	Economic Useful Life (years)
Plant and equipment	10
Narrow boat - boat	25
Narrow boat - solar panels	10

##### *Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### *Cash at bank and in hand*

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### *Creditors and provisions*

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

##### *Financial instruments*

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 2 Accounting policies (continued)

#### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the charitable company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### Other key sources of estimation uncertainty

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

#### 4 Income from donations and legacies

Donations	2024 £	2023 £
Donations	35,253	5,220
Donated services	4,266	-
	<u>39,519</u>	<u>5,220</u>

The income from donations and legacies was £39,519 (2023: £5,220) of which £24,519 was unrestricted (2023: £5,220) and £15,000 was restricted (2023: £nil). Income from donated services was £4,266 (2023: £nil) of which £4,266 was unrestricted (2023: £nil).

#### 5 Income from charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £	Total 2023 £
Income from charitable activities				
Boat income	7,680	-	7,680	20,401
Grants received	1,600	-	1,600	-
<b>Total income from charitable activities</b>	<u>9,280</u>	<u>-</u>	<u>9,280</u>	<u>20,401</u>

#### 6 Investment income

Investment income of £129 (2023: £67) arises from money held in interest-bearing deposit accounts.

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 7 Analysis of expenditure on charitable activities

	2024	2023
	£	£
Salary costs (note 11)	9,417	11,933
Employee and board expenses	657	765
Licences and mooring fees	2,831	2,452
Boat fuel	576	2,402
Repairs and maintenance	18,705	2,056
Travel expenses	917	548
Insurance	1,071	940
Professional fees	13,722	9,913
Sundry expenses	1,661	1,623
Depreciation	4,879	4,899
Amortisation	-	306
Interest payable	201	200
<b>Total</b>	<b>54,637</b>	<b>38,037</b>

Expenditure on charitable activities was £54,637 (2023: £38,037) of which £38,159 was unrestricted (2023: £36,148) and £16,478 was restricted (2023: £1,889).

#### 8 Summary analysis of expenditure and related income for charitable activities

This table shows the cost of the charitable activities and the sources of income directly to support those activities.

	2024	2023
	£	£
Costs	(54,637)	(38,037)
Boat hire	7,680	20,401
Grants received	1,600	-
<b>Net cost funded from other income</b>	<b>(45,357)</b>	<b>(17,636)</b>

#### 9 Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Support and governance costs	Basis of apportionment	General support	Governance function	Total
		£	£	£
Salaries, wages, board and related costs	Allocated based on time	9,417	-	9,417
Accountancy and governance services	Governance	-	5,190	5,190
<b>Total</b>		<b>9,417</b>	<b>5,190</b>	<b>14,607</b>

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 10 Net expenditure for the year

	2024	2023
	£	£
This is stated after charging		
Depreciation	4,879	4,899
Amortisation	-	306
Fees payable to the company's auditor for the audit of the company's annual accounts (VAT inclusive)	3,000	2,040
Fees payable to the company's auditor for other services (VAT inclusive):		
Taxation compliance services	2,190	-

#### 11 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2024	2023
	£	£
Salaries and wages	8,810	11,558
Social security costs	277	204
Pension costs	330	171
	9,417	11,933

No employees had employee benefits in excess of £60,000 (2023: £nil). The charity trustees were not paid nor received any other benefits from employment with the charity in the period (2023: £nil). Trustees were reimbursed travel expenses during the period of £nil (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil). Key management personnel are deemed to be the Trustees of the charity.

#### 12 Staff numbers

	2024	2023
	Number	Number
Operational	1	1
	1	1

#### 13 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 14 Tangible fixed assets

	Plant & Equipment £	Narrow Boat £	Total £
<b>Cost</b>			
As at 1 April 2023	1,193	119,970	121,163
<b>As at 31 March 2024</b>	<b>1,193</b>	<b>119,970</b>	<b>121,163</b>
<b>Depreciation</b>			
As at 1 April 2023	1,193	63,462	64,655
Charge for period	-	4,879	4,879
<b>As at 31 March 2024</b>	<b>1,193</b>	<b>68,341</b>	<b>69,534</b>
<b>Net book value</b>			
<b>As at 31 March 2024</b>	<b>-</b>	<b>51,629</b>	<b>51,629</b>
<b>As at 31 March 2023</b>	<b>-</b>	<b>56,508</b>	<b>56,508</b>

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 15 Debtors

	2024	2023
	£	£
Trade debtors	-	588
Other debtors	-	331
Prepayments and accrued income	1,055	442
	<u>1,055</u>	<u>1,361</u>

#### 16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	-	160
Accruals & deferred income	4,579	10,643
Taxation and social security	-	93
Amounts owed to group undertakings	-	1,412
Other creditors	160	160
	<u>4,739</u>	<u>12,468</u>

Amounts owed to group undertakings are interest free and payable on demand.

#### 17 Deferred income

Deferred income comprises future-dated boat hire sales and deposits to be released in the period when the hire takes place.

	£
<b>Balance as at 1 April 2023</b>	8,320
Amount released to income earned from charitable activities	(8,320)
<b>Balance as at 31 March 2024</b>	<u>-</u>

#### 18 Analysis of charitable funds

##### *Analysis of movements in unrestricted funds*

	Balance 1 April 2023	Income	Expenditure	Transfers	Funds 31 March 2024
	£	£	£	£	£
General fund	56,494	33,928	(38,159)	-	52,263
	<u>56,494</u>	<u>33,928</u>	<u>(38,159)</u>	<u>-</u>	<u>52,263</u>

  

	Balance 1 April 2022	Income	Expenditure	Transfers	Funds 31 March 2023
	£	£	£	£	£
General fund	67,461	25,688	(36,655)	-	56,494
	<u>67,461</u>	<u>25,688</u>	<u>(36,655)</u>	<u>-</u>	<u>56,494</u>

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 18 Analysis of charitable funds (continued)

Name of unrestricted fund	Description, nature and purposes of the fund				
General fund	The total reserves after allowing for all designated funds.				
<i>Analysis of movements in restricted fund</i>					
	Balance 1 April 2023	Income	Expenditure	Transfers	Funds 31 March 2024
	£	£	£	£	£
Girdlers	320	-	(320)	-	-
Big Lottery: Waterways to Recovery	3,275	-	(1,025)	-	2,250
Big Lottery Fund - Stage 2	1,924	-	(133)	-	1,791
Kenneth Colart	-	15,000	(15,000)	-	-
	5,519	15,000	(16,478)	-	4,041
	Balance 1 April 2022	Income	Expenditure	Transfers	Funds 31 March 2023
	£	£	£	£	£
Girdlers	1,120	-	(800)	-	320
Sefton Council Education	150	-	(150)	-	-
23 Foundation	41	-	(41)	-	-
Big Lottery: Waterways to Recovery	4,040	-	(765)	-	3,275
Big Lottery Fund - Stage 1	2,970	-	(2,970)	-	-
Big Lottery Fund - Stage 2	2,057	-	(133)	-	1,924
	10,378	-	(4,859)	-	5,519
Name of restricted fund	Description, nature and purposes of the fund				
Girdlers	Funding is to provide educational boat trips for schools.				
Sefton Council Education	Grant is to fund education for boat crew training of employees and volunteers.				
Big Lottery Fund	Funding for trips, crew training and contribution to a new booking system/promotion.				
23 Foundation	Grant to fund day to day repair and maintenance costs.				
Big Lottery: Waterways to Recovery	Funding for crew training and the provision of 26 trips in support of men's mental health.				
Kenneth Colart	Funding for replacement engine				

## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

#### 19 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	50,588	1,041	51,629
Debtors	1,055	-	1,055
Cash at bank and in hand	5,359	3,000	8,359
Other net current liabilities	(4,739)	-	(4,739)
<b>Net assets at 31 March 2024</b>	<b>52,263</b>	<b>4,041</b>	<b>56,304</b>

  

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	55,334	1,174	56,508
Debtors	1,361	-	1,361
Cash at bank and in hand	12,267	4,345	16,612
Other net current liabilities	(12,468)	-	(12,468)
<b>Net assets at 31 March 2023</b>	<b>56,494</b>	<b>5,519</b>	<b>62,013</b>

#### 20 Controlling party and related party transactions

##### *Related party transactions with group subsidiaries*

The charitable company is a wholly owned subsidiary of Sovini Charities Limited, with Sovini Limited, Co-operative and Community Benefit Society, being the ultimate parent undertaking.

The results of the charitable company are included within the consolidated accounts of Sovini Limited. A copy of these accounts may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff.

- ***Sovini Limited***

During the year, Pride of Sefton had transactions with its ultimate parent entity Sovini Limited. Pride of Sefton incurred corporate service charges of £8,532 (2023: £7,860). Sovini Limited have also recharged expenses of £390 (2023: £286) and made donations of £12,266 (2023: purchased trips of £640). Included within creditors are amounts owed to Sovini Limited of £nil (2023: £1,328).

- ***Sovini Charities Limited***

During the year, Pride of Sefton received £nil in unrestricted donations from its parent Sovini Charities Limited (2023: £4,770).

- ***One Vision Housing Limited***

During the year, Pride of Sefton had transactions with One Vision Housing Limited. Pride of Sefton recharged £1,483 (2023: £450 recharges received) to One Vision Housing Limited which was expensed to the income and expenditure statement, purchased trips for £nil (2023: £960). During the prior year the Pride of Sefton impaired its bespoke booking system designed by One Vision Housing at a charge of £3,477 after charging amortisation of £306 to the income and expenditure statement. Included within creditors are amounts owed to One Vision Housing Limited of £nil (2023: £84).

- ***Sovini Commercial Limited***

During the year, Pride of Sefton incurred loan interest of £201 (2023: £200) on their undrawn £20,000 loan facility with Sovini Commercial Limited.



## Pride of Sefton

### Notes Forming Part of the Financial Statements for the year ended 31 March 2024 (continued)

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#### 20 Controlling party and related party transactions (continued)

- ***Sovini Property Services Limited***

During the year, Pride of Sefton had transactions with Sovini Property Services Limited. Pride of Sefton incurred recharges of £594 (2023: £370) from Sovini Property Services Limited.

- ***Sovini Trade Supplies Limited***

During the year, Pride of Sefton had transactions with Sovini Trade Supplies Limited. Sovini Trade Supplies donated services valuing £12,093 (2023: £320).