

Company registration number: 07149873

Charity registration number: 1145286

Encompass Southwest

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024



WESTCOTTS

**CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS**

Encompass Southwest

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Reference and Administrative Details

Trustees:	Stephen Cresswell Irene Hockin Beryl Evans Liz Steele Neil Warburton Duncan Affleck Caroline Leaver (resigned 1 December 2023)
Charity Registration Number	1145286
Company Registration Number	07149873
Registered Office	The charity is incorporated in England and Wales. Unit C2 Fishleigh Court, Fishleigh Rd Roundswell Business Park Barnstaple Devon EX31 3UD
Auditor	Westcotts (SW) LLP Plym House 3 Longbridge Road Plymouth Marsh Mills Devon PL6 8LT
Bankers	National Westminster Bank plc 41 High Street Barnstaple Devon EX31 1BZ CAF Bank Limited Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

Encompass Southwest

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Structure, Governance and Management

Established in 1996 as Bamstaple Poverty Action Group (BPAG), the organisation registered as a charity in 2000, and incorporated on 31 March 2012 to become Encompass Southwest.

The organisation is governed by a Board of Trustees, currently numbering six volunteers from 7 following the resignation of Caroline Leaver who are all drawn from the communities in which the organisation works. Encompass Southwest is completely independent and has no religious or political affiliations.

Trustee Recruitment

The Trustees are mindful of the skill sets of the Trustees. The Trustees undertake regular training. New Trustees are elected by the board and are recruited through volunteering, introductions, advertising or targeting specific relevant experience.

Mrs C Fisher is Chief Officer, in conjunction with the board, she responsible for both the strategic and operational direction of the organisation.

Objectives

During the financial year, Encompass Southwest had 29 different projects and our work was supported by around 11 volunteers. The Board aims to meet at least every two months to consider reports from the Chief Officer. The Board receives reports and management reviews of operational policies and procedures, and proposals for improvements in operational and organisational practices and services.

Encompass Southwest's Charitable activities ("Objectives") are specifically restricted to the following: "The relief of persons within Devon, Cornwall, Somerset and Dorset who are in conditions of hardship, distress and need, including the relief of homelessness, rough sleeping and to reduce the impact of poverty and financial exclusion by providing effective client focused services".

Encompass Southwest has no contracts that any Trustee has, or had, any direct interest in, either during or at the end of the financial period.

Encompass provides a range of housing, homelessness, rough sleeper and financial inclusion services that operate across North Devon, Torridge, West Devon and, through partnership, Mid Devon and West Somerset. Our services are funded by a variety of different funders including; National Lottery Community Fund, Torridge District Council, Devon Communities Foundation, Devon District Council and North Devon Council.

Encompass operates Supported accommodation across North Devon and Torridge, supporting people from homelessness into independence.

Encompass Southwest trustees, staff and volunteers have successfully delivered against our charitable objectives for 2023/24. Our service delivery is split into 5 key areas which include:

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Trustees' Report

1. Housing & Rough Sleeper Outreach

- Housing First in North Devon and Torridge
- Torridge Rough Sleeper Outreach (Rough Sleeper Initiative)
- Junction project (youth Homelessness)
- Ripple Project (Youth Housing first)
- Streetwise Torridge (Youth Homelessness support)
- Know Your Neighbourhood - National Lottery

2. Gender Informed services

- Brave Spaces
- Pathfinder - Trauma Stabilisation

3. Flow Services

- Primary Care Network
- High Flow
- National Lottery High Flow/System Change Action Alliance
- Secondary Care Flow
- Community Flow
- Community Mental Health Development
- HOPE course
- Youth Mental Health Discharge project (Young Devon)

4. Supported Accommodation

- Mixed medium need supported accommodation
- High Needs women only accommodation
- High Needs male accommodation
- Emergency accommodation
- Mum and Baby accommodation (1unit)

5. Welfare & Core Services

- British Gas Energy Trust (BGET)
- Transitions
- The Candar Advice Centre
- Community Health & Social Care Voluntary Representative
- Core 20+
- Torridge Household Fund

During 2023/24 we have continued to expand the number of projects we deliver across Northern Devon which has resulted in a turnover increase from £1.5m in 2022/23 to £1.7m this financial year. We have seen new collaborations form over this year including our Brave Spaces partnership with CoLab in Exeter. This two-year project builds on the work delivered in the two current sites to establish and test a gender-sensitive, holistic, trauma-informed approach to working with women with complex lives and multiple disadvantages, funded by Devon County Council. The partnership was also successful in testing a new Trauma Stabilisation program funded by One Devon (Integrated Care Board) which runs alongside the Brave Spaces partnership and offers specialist support to women affected by sexual violence.

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Trustees' Report

Our supported accommodation continues to offer a temporary safe accommodation offer to those people who are homeless or rough sleeping. We have not increased the number of bed spaces during this year, instead we have focused on our delivery ensuring that we are offering a high level of support to aid move on into independence for our occupants which at times has been challenging due to the lack of affordable homes in Northern Devon. We have taken on the support for 6 new modular units which are owned and managed by Torridge District Council.

All our service areas have seen some level of growth over the year and we have been able to secure funding to keep them fully operational into the next financial year.

Our funding during this year has come from the following areas:

- Grants such as National Lottery, Devon Community Foundation and Pickwell Foundation.
- Statutory funding from Torridge District Council, North Devon Council, Devon County Council, Health via One Northern Devon and One Devon.
- Housing Benefit

Key achievements during this year include:

- Recognised by the Southwest Personal Care Awards as winner of the "What Matters" category.
- The mobilisation of 6 new modular housing units in collaboration with Torridge District Council.
- New Night Shelter offer to rough sleepers between November 2023- March 2024.
- Development of our North Devon Inclusion Framework for multiple disadvantages.

During the year we supported 1420 clients and 1550 cases, in addition we have supported 526 people with on-off advice via our drop in services across all of our projects. Our advice and support services include: money & debt, welfare benefits, fuel poverty, accessing housing solutions, gender informed services, youth outreach, hot food, food parcels, clothing, bedding and tents.

Overview of the year

Housing & Rough Sleeper Services

Rough Sleeper numbers in Torridge have increased over the year with our teams supporting an average of 16-18 rough sleepers at any one time. The increase is due to a number of external factors including a lack of affordable housing in the area, relationship breakdowns and no connection to the area. For the first time this year we have supported people with no access to public funds and asylum seekers who have newly been given the right to remain in the UK. Following a successful application to the Night Shelter fund we have been able to offer emergency accommodation to a high percentage of rough sleepers during the winter period.

In collaboration with Torridge District Council via the RSAP fund we have supported the introduction of 6 new modular units in Bideford which have successfully provide accommodation to some of the most complex rough sleepers and have in turn saved the local authority nearly £300k in the first 6 months in B&B/emergency accommodation.

Housing First has successfully supported 9 entrenched rough sleepers during this year ensuring that they remain housed with weekly intensive support. Over half of these clients have been housed for 4 years with our longest housing first clients still in housing after 6 years.

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Trustees' Report

Gender Informed/Outreach Services

In April 2023 we mobilised our Brave Spaces partnership, which is a collaboration between Encompass Southwest, CoLab Women, North Devon Against Domestic Abuse, Mind in Somerset and Survivors Alliance North Devon (SAND). We have been able to extend our offer to women to include access to 10 specialist counselling sessions for free, which has seen a positive impact of recovery.

We hosted our Brave Spaces launch event in Tiverton on 13th June 2023 which was a great success and well attended, the event gave an overview of what stakeholders could expect from the partnership and it was good to see new relationships being forged to increase our offer to women with complex needs.

The Brave Spaces team have hosted a variety of creative events and sessions over the past 12 months which have included; trauma informed boxing/self-defence sessions, art therapy classes and storytelling.

We continue to provide high needs accommodation to women as part of our Brave Spaces offer.

FLOW Services

Our Flow projects continue to deliver high quality support to people accessing acute, primary and secondary care support through One Northern Devon. This year has seen some changes to our High Intensity User program with the introduction of the Rhia Monteith model focusing on the top 250 users of A&E to provide intensive support and connection for people who don't need emergency medical support but whose needs maybe linked to their housing needs, mental health, debt or loneliness. During Q4 of this year our team have worked closely with Rhian Monteith to introduce the model into Northern Devon and Exeter.

Supported Accommodation

Our supported accommodation continues to be a solid part of our core services and our trauma informed approach has meant that we have been able to house people who previously have been referred to by other agencies as un-housable, this is something we are very proud of. Our accommodation is based on both a trauma informed model and a Psychologically informed environment.

During this year we have invested in a new service manager and health & safety adviser for our supported accommodation. In addition to this we have also appointed a new administrator to support our accommodation services.

Wiser£money & Core Services

Wiser£money has supported 614 clients during this year with a total of 635 cases. We have continued to secure funding for our 2 core projects; Transitions and BGET and our partnerships with Navigate CIC continues to be strong.

Wiser£money aim to enable people and communities to be better equipped and to know more. We provide a range of services and projects about money. We provide money and debt advice tailored to individual needs to support people with debt, checking they have the correct income and advising on what options are open to them. We run Navigate the Money Maze courses – interactive educational workshops to help people increase their skills, knowledge and confidence to manage money. We work with the Torridge Rough Sleepers project and administer the Mid Devon District Council Household Support Fund. Many peoples basic needs are not being met in today's world. Our work has collectively generated over £3.4 MILLION in social value through accessible, person centred money and debt advice and education services.

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Trustees' Report

Typically, every £1 invested in Navigate will result in direct financial benefits for our clients of:

- £1.43 of debt written off
- £3.00 of debt identified and managed
- £1.62 of annual gains and income secured

For every £1.00 invested in Wis£r money the social return on investment is £4.62 (*information sourced from Navigate annual impact review 2023/24*)

Financial Review

We have continued to work hard over this year to ensure that our income continues to grow. This includes setting targets for grant funded projects and identifying new sustainable funding streams, such as our night shelter accommodation and building upon our existing partnerships.

Financially we are in a stronger place than we have been in previous years, with a record turnover of £1,630,109. However this does not mean that we can afford to take our eye off the ball. Whilst many projects are now funded for the next 12 months we are actively seeking funding for 25/26.

We continue to work hard to build our reserves and aim to ensure that we have a minimum of 6 months reserves in the future.

At the end of this year we have £180,703 in reserves/general funds which will be held in accordance with our reserves policy as set by the Board of Trustees.

Statement of trustees' responsibilities

The trustees (who are also the directors of Encompass Southwest for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

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

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

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Trustees' Report

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

Disclosure of information to auditor

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

Small companies provision statement

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

The annual report was approved by the trustees of the charity on 25/10/24 and signed on its behalf by:



Irene Hockin
Trustee

Encompass Southwest

Independent Auditor's Report to the Members of Encompass Southwest

Opinion

We have audited the financial statements of Encompass Southwest (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report to the Members of Encompass Southwest

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 6 and 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Independent Auditor's Report to the Members of Encompass Southwest

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:

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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Independent Auditor's Report to the Members of Encompass Southwest

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Adam Croney ACA (Senior Statutory Auditor)
For and on behalf of Westcotts (SW) LLP,
Chartered Accountants and Statutory Auditors
Plym House
3 Longbridge Road
Plymouth
Marsh Mills
Devon
PL6 8LT

Date: 29/10/24

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Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	150,477	962,273	1,112,750	1,045,124
Charitable activities	4	471,133	41,375	512,508	439,109
Fundraising income	5	-	-	-	350
Investment income	6	4,851	-	4,851	1,626
Total income		626,461	1,003,648	1,630,109	1,486,209
Expenditure on:					
Raising funds	7	(24)	(2,330)	(2,354)	(738)
Charitable activities	8	(599,420)	(1,079,780)	(1,679,200)	(1,378,446)
Total expenditure		(599,444)	(1,082,110)	(1,681,554)	(1,379,184)
Net income/(expenditure)		27,017	(78,462)	(51,445)	107,025
Transfers between funds		27,566	(27,566)	-	-
Net movement in funds		54,583	(106,028)	(51,445)	107,025
Reconciliation of funds					
Total funds brought forward		195,295	233,407	428,702	321,677
Total funds carried forward	20	249,878	127,379	377,257	428,702

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 20.

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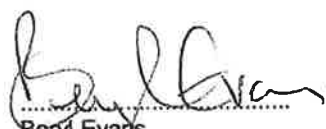
(Registration number: 07149873)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	21,652	28,870
Current assets			
Debtors	16	114,521	29,431
Cash at bank and in hand	17	<u>303,116</u>	<u>395,016</u>
		417,637	424,447
Creditors: Amounts falling due within one year	18	<u>(62,032)</u>	<u>(24,615)</u>
Net current assets		<u>355,605</u>	<u>399,832</u>
Net assets		<u>377,257</u>	<u>428,702</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		127,379	233,407
Unrestricted income funds			
Unrestricted funds		<u>249,878</u>	<u>195,295</u>
Total funds	20	<u>377,257</u>	<u>428,702</u>

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

The financial statements on pages 12 to 28 were approved by the trustees, and authorised for issue on 25.12.24, and signed on their behalf by:


Irene Hockin
Trustee


Beryl Evans
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

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Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(51,445)	107,025
Adjustments to cash flows from non-cash items			
Depreciation	7	7,218	9,624
Investment income	6	<u>(4,851)</u>	<u>(1,626)</u>
		(49,078)	115,023
Working capital adjustments			
Increase in debtors	16	(85,090)	(6,021)
Increase/(decrease) in creditors	18	<u>37,417</u>	<u>(2,393)</u>
Net cash flows from operating activities		(96,751)	106,609
Cash flows from Investing activities			
Interest receivable and similar income	6	<u>4,851</u>	<u>1,626</u>
Net (decrease)/increase in cash and cash equivalents		(91,900)	108,235
Cash and cash equivalents at 1 April		<u>395,016</u>	<u>286,781</u>
Cash and cash equivalents at 31 March		<u>303,116</u>	<u>395,016</u>

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

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Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Unit C2
Fishleigh Court, Fishleigh Rd
Roundswell Business Park
Barnstaple
Devon
EX31 3UD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

Encompass Southwest 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. The accounts are prepared in sterling, the functional currency of the charity.

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.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Notes to the Financial Statements for the Year Ended 31 March 2024

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.

Grants receivable

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

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

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

Raising funds

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

Charitable activities

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

Grant provisions

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

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Notes to the Financial Statements for the Year Ended 31 March 2024

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.

Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Motor Vehicles	25% Reducing balance

Cash and cash equivalents

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

Fund structure

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

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

Pensions and other post retirement obligations

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

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

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.

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

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.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations			
Donations	22,003	-	22,003
Candar Donations	6,349	-	6,349
Just Giving Tent appeal	-	2,870	2,870
Gift Aid received	-	623	623
Gift aid reclaimed	449	-	449
Grants			
Specific grants received	-	6,538	6,538
BGET	-	35,280	35,280
Ripple Project Funding	-	20,000	20,000
Woman First Homeless Link	-	24,944	24,944
Other core grants	3,000	-	3,000
Torridge District Council	7,264	142,378	149,642
Transitions Project- West Devon & Torridge	-	60,626	60,626
Westbank CH & SCT	22,222	-	22,222
OND - Flow	-	150,590	150,590
Core 20	-	10,000	10,000

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Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £
CoLab	-	35,666	35,666
Community Matters National Grid	7,603	-	7,603
North Devon County Council	81,587	196,966	278,553
National Lottery High Flow	-	123,317	123,317
Youth Devon Mental Health Support	-	22,207	22,207
HOPE	-	26,307	26,307
Night Shelter	-	46,156	46,156
Winter Pressures	-	41,512	41,512
KYN	-	16,293	16,293
	<u>150,477</u>	<u>962,273</u>	<u>1,112,750</u>
	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations			
Donations	10,334	-	10,334
Candar Donations	6,349	-	6,349
Just Giving Tent appeal	-	1,864	1,864
Gift Aid received	3,704	-	3,704
Grants			
Specific grants received	-	9,871	9,871
BGET	-	33,021	33,021
Children In Need	-	50,335	50,335
Lloyds Foundation	27,250	-	27,250
Ripple Project Funding	-	20,000	20,000
Other core grants	4,250	-	4,250
Torridge District Council	-	134,241	134,241
Transitions Project- West Devon & Torridge	-	57,796	57,796
DPT Mental Health Fund	-	25,770	25,770
Westbank CH & SCT	22,222	-	22,222
OND - Flow	-	226,593	226,593
Core 20	-	29,000	29,000
CoLab	-	48,767	48,767
Community Matters National Grid	-	2,095	2,095
North Devon County Council	66,553	83,770	150,323
National Lottery High Flow	-	112,339	112,339
North Devon Volunteers	-	4,000	4,000
Youth Devon Mental Health Support	-	20,000	20,000
HOPE	-	45,000	45,000
	<u>140,662</u>	<u>904,462</u>	<u>1,045,124</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £
Invoiced work	8,312	9,159	17,471
Supported accommodation	462,821	-	462,821
Housing 1st Income	-	32,216	32,216
	<u>471,133</u>	<u>41,375</u>	<u>512,508</u>
	Unrestricted funds £	Restricted funds £	Total 2023 £
Invoiced work	1,945	-	1,945
Supported accommodation	409,017	225	409,242
Housing 1st Income	-	27,922	27,922
	<u>410,962</u>	<u>28,147</u>	<u>439,109</u>

5 Income from other trading activities

	Total 2024 £	Total 2023 £
Fundraising income	-	350
	<u>-</u>	<u>350</u>

6 Investment income

	Unrestricted funds £	Total 2024 £	Total 2023 £
Bank interest receivable	4,851	4,851	1,626
	<u>4,851</u>	<u>4,851</u>	<u>1,626</u>

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £
Costs of raising donations and legacies	24	2,330	2,354
	<u>24</u>	<u>2,330</u>	<u>2,354</u>

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Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds £	Restricted funds £	Total 2023 £
Costs of raising donations and legacies	<u>84</u>	<u>654</u>	<u>738</u>

8 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Charitable activities		585,752	1,079,780	1,665,532
Allocated support costs	9	<u>13,668</u>	<u>-</u>	<u>13,668</u>
		<u>599,420</u>	<u>1,079,780</u>	<u>1,679,200</u>

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Charitable activities		569,716	804,843	1,374,559
Allocated support costs	9	<u>3,887</u>	<u>-</u>	<u>3,887</u>
		<u>573,603</u>	<u>804,843</u>	<u>1,378,446</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Analysis of support costs

Support costs allocated to charitable activities

	Support costs £	Total 2024 £	Total 2023 £
Audit fees	11,862	11,862	2,823
Payroll costs	1,806	1,806	1,064
	<u>13,668</u>	<u>13,668</u>	<u>3,887</u>

10 Analysis of grants

	2024 £	2023 £
Analysis		
Grants to individuals	<u>11,718</u>	<u>12,780</u>

11 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>7,218</u>	<u>9,624</u>

12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

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

13 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	922,538	768,805
Social security costs	75,118	58,129
Pension costs	40,052	32,444
	<u>1,037,708</u>	<u>859,378</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

The average head count of employees during the year was 46 (2023: 39). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No	2023 No
Employees	<u>34</u>	<u>27</u>

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

14 Auditors' examination fees

	2024 £	2023 £
Audit fees	<u>11,862</u>	<u>2,823</u>

15 Tangible fixed assets

	Motor vehicles £	Total £
Cost		
At 1 April 2023	<u>38,494</u>	<u>38,494</u>
At 31 March 2024	<u>38,494</u>	<u>38,494</u>
Depreciation		
At 1 April 2023	<u>9,624</u>	<u>9,624</u>
Charge for the year	<u>7,218</u>	<u>7,218</u>
At 31 March 2024	<u>16,842</u>	<u>16,842</u>
Net book value		
At 31 March 2024	<u>21,652</u>	<u>21,652</u>
At 31 March 2023	<u>28,870</u>	<u>28,870</u>

16 Debtors

	2024 £	2023 £
Trade debtors	113,031	27,519
Prepayments	<u>1,490</u>	<u>1,912</u>
	<u>114,521</u>	<u>29,431</u>

17 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	<u>303,116</u>	<u>395,016</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

18 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	21,532	21,615
Accruals	40,500	3,000
	<u>62,032</u>	<u>24,615</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £36,487 (2023 - £32,444).

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
General Funds	142,495	355,995	(284,963)	(32,824)	180,703
Contingency Fund	7,369	-	-	25,000	32,369
Candar Advice Centre	690	18,358	(15,555)	-	3,493
Supported Accommodation	15,871	212,650	(253,911)	35,390	10,000
Complex Care Teams	-	22,222	(22,222)	-	-
Winter Accommodation	-	17,212	(15,551)	-	1,661
Fixed assets	<u>28,870</u>	<u>-</u>	<u>(7,218)</u>	<u>-</u>	<u>21,652</u>
	<u>195,295</u>	<u>626,437</u>	<u>(599,420)</u>	<u>27,566</u>	<u>249,878</u>
Restricted funds					
Specific Grants	4,645	9,199	(9,764)	(4,080)	-
Contingency Funds	1,881	-	-	(1,881)	-
R&C Torridge and West Devon	-	60,626	(60,626)	-	-
Children In Need 2016	22,708	-	(22,436)	(272)	-
BGET Moneywise	-	35,280	(28,956)	-	6,324
Ripple Project	20,522	20,000	(13,836)	-	26,686
Housing First/Torridge RSI	38,696	114,316	(126,773)	-	26,239
HIU	3,640	60,831	(54,600)	-	9,871
Brave Spaces	9,282	172,964	(182,246)	-	-

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
TDC Covid Hardship	-	27,000	(16,430)	(10,570)	-
Youth flow	6,621	22,207	(22,299)	-	6,529
OND Primary	18,403	25,000	(43,426)	23	-
Streetwise Torridge	-	35,521	(35,521)	-	-
OND Community flow	-	52,106	(73,751)	21,880	235
OND Secondary flow	19,775	19,437	(39,424)	212	-
DPT Mental health	2,636	-	132	(2,768)	-
Core 20+	14,148	10,000	(24,084)	(64)	-
Community Flow 2	21,880	-	-	(21,880)	-
Community Mental Health Lead	2,661	32,577	(34,231)	(1,007)	-
National lottery high flow	21,420	126,720	(130,064)	-	18,076
Safer streets	2,338	44,596	(38,567)	-	8,367
Community matters	-	-	(50)	50	-
National Grid Fund	-	-	(50)	50	-
Community Mental Health Navigator	18,151	5,000	(17,831)	(5,320)	-
Accommodation Lockers	4,000	-	(45)	5,961	9,916
Mental Health Winter Pressure	-	41,512	(33,612)	(7,900)	-
HOPE	-	26,307	(19,649)	-	6,658
KYN	-	16,293	(7,815)	-	8,478
Night Shelter	-	46,156	(46,206)	50	-
	<u>233,407</u>	<u>1,003,648</u>	<u>(1,082,110)</u>	<u>(27,566)</u>	<u>127,379</u>
Total funds	<u>428,702</u>	<u>1,630,085</u>	<u>(1,681,530)</u>	<u>-</u>	<u>377,257</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General Funds	125,052	48,449	(58,141)	27,135	142,495
Contingency Fund	7,369	-	-	-	7,369
Candar Advice Centre	9,800	7,359	(16,469)	-	690
Supported Accommodation	7,547	454,807	(446,483)	-	15,871
Complex Care Teams	-	22,222	(22,222)	-	-
Torrige Streetwise	(33)	-	-	33	-
Winter Accommodation	-	20,763	(20,748)	(15)	-
OND - Secondary Flow	(213)	-	-	213	-
BGET matched funding	18,000	-	-	(18,000)	-
Fixed assets	38,494	-	(9,624)	-	28,870
	<u>206,016</u>	<u>553,600</u>	<u>(573,687)</u>	<u>9,366</u>	<u>195,295</u>
Restricted funds					
Specific Grants	7,553	9,871	(12,779)	-	4,645
Contingency Funds	1,881	-	-	-	1,881
R&C Torridge and West Devon	(1,649)	57,796	(61,622)	5,475	-
Children In Need 2016	10,170	50,335	(37,797)	-	22,708
Outreach Funding	1,786	-	(709)	(1,077)	-
Rough Sleeper	1,410	-	-	(1,410)	-
BGET Moneywise	3,971	33,021	(45,291)	8,299	-
Ripple Project	7,543	20,000	(7,021)	-	20,522
Housing First/Torrige					
RSI	73,053	105,332	(139,525)	(164)	38,696
HIU	5,005	59,500	(60,865)	-	3,640
Brave Spaces	-	96,407	(87,125)	-	9,282
TDC Covid Hardship	4,938	23,400	(8,028)	(20,310)	-
Youth flow	-	20,000	(13,379)	-	6,621
OND Primary	-	56,721	(38,318)	-	18,403
Streetwise Torridge	-	35,521	(35,673)	152	-
OND Community flow	-	36,500	(36,575)	75	-
OND Secondary flow	-	58,646	(38,658)	(213)	19,775
DPT Mental health	-	3,920	(1,284)	-	2,636
Core 20+	-	29,000	(14,852)	-	14,148
Community Flow 2	-	55,000	(33,120)	-	21,880
Community Mental Health Lead	-	18,630	(15,969)	-	2,661
National lottery high flow	-	112,339	(90,919)	-	21,420

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Safer streets	-	17,498	(15,160)	-	2,338
Community matters					
National Grid Fund	-	2,095	(1,902)	(193)	-
Community Mental Health Navigator	-	27,077	(8,926)	-	18,151
Accommodation Lockers	-	4,000	-	-	4,000
	<u>115,661</u>	<u>932,609</u>	<u>(805,497)</u>	<u>(9,366)</u>	<u>233,407</u>
Total funds	<u>321,677</u>	<u>1,486,209</u>	<u>(1,379,184)</u>	<u>-</u>	<u>428,702</u>

Unrestricted funds

The trustees have designated part of the unrestricted funds of the charity to ensure that the funds raised specifically for certain projects, and shown as such in the restricted reserves, have sufficient resources to complete these projects. these funds are designated from the general fundraising of the charity.

Restricted funds

Encompass Southwest provides a variety of services which include; specialist housing and domestic & sexual violence support to women with multiple disadvantages, Rough sleeper outreach, Housing First, young person's housing support, High Intensity User (HIU), Mental Health Support, Money and Debt advice and specialist supported accommodation. Many of the funding we receive is restricted funding and these include; National Lottery Community Fund, Torridge District Council, North Devon Council, Integrated Care Board, Homeless Link and Devon Communities Foundation.

21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	21,652	-	21,652
Current assets	254,898	162,739	417,637
Current liabilities	<u>(26,672)</u>	<u>(35,360)</u>	<u>(62,032)</u>
Total net assets	<u>249,878</u>	<u>127,379</u>	<u>377,257</u>

Encompass Southwest

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	28,870	-	28,870
Current assets	186,916	237,531	424,447
Current liabilities	<u>(20,491)</u>	<u>(4,124)</u>	<u>(24,615)</u>
Total net assets	<u>195,295</u>	<u>233,407</u>	<u>428,702</u>

22 Related party transactions

During the year, the charity paid £19,561 (2023: £43,179) to North Devon Against Domestic Abuse Limited in respect of a partnership agreement. Irene Hockin is a Trustee of both charities.