

Charity registration number 1145598

Company registration number 07626625 (England and Wales)

POSITIVE FUTURES NORTH LIVERPOOL LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P A Kennedy C McKune MBE G J Morris OBE C Williams A E Wills CBE S D Malone	(Appointed 7 June 2022) (Appointed 7 June 2022) (Appointed 5 September 2023)
Charity number	1145598	
Company number	07626625	
Registered office	Unit B1 Tetlow Way Liverpool Merseyside L4 4QS	
Independent examiner	DJH Mitten Clarke Limited Bridge House Ashley Road Hale Altrincham WA14 2UT	
Bankers	Co-Operative Bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT	

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

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POSITIVE FUTURES NORTH LIVERPOOL LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 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)".

Objectives and activities

The charity operates principally in Liverpool, Knowsley, Sefton and Wirral and its objectives are:

- 1) To act as a resource for young people up to the age of 25 living in the United Kingdom, by providing advice and assistance and organizing programmes of physical, education and other activities as a means of:
 - a) Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as an independent, mature and responsible individual.
 - b) Advancing education.
 - c) Tackling worklessness.
 - d) Providing recreations and leisure time activity of social welfare for people in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.
- 2) Such charitable purposes for the public benefit are exclusively charitable according to the laws of England and Wales as the trustees may from time to time determine.

Since inception, the organization has won contracts from Children in Need, Comic Relief, European Social Fund, Liverpool City Council, Housing Associations and private foundations to name a few. In total nearly £10 million pounds worth of investment has touched the lives of over 10,000 young people.

We seek to enable disadvantaged young people to achieve their full potential through our framework of Engage, Education, Enterprise and Empower.

Public benefit

When planning and programming activities for the local residents of Liverpool, the Trustees of Positive Futures North Liverpool Limited are mindful of the Charity Commissions guidance on Public Benefit.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Use of volunteers

Volunteers are usually, although not exclusively, young people. They support the youth activities, help out with paper work, planning sessions and supporting younger children.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

The charity has had another impactful year, given the volatility surrounding the on-going impact of COVID and the challenges faced by the ever increasing cost of living crisis. We have continuously adapted our Delivery Pillars; SSOS (Streets, Schools, Outreach Services) model to ensure we reach the Right Young People, in the Right Place at the Right Time, using a combination of open access, targeted support work and personal development interventions.

The team has made an extraordinary effort given this challenging backdrop and have continued to enable young people from Liverpool to achieve their potential.

Supporting thousands of young people in Liverpool every year, headline achievements include:

- Engagement with over 500 young people on a regular basis
- Engagement with over 4,000 young people on an aggregated basis
- Engagement through 119 detached sessions
- Over 80 engagement sessions in schools
- 201 young people received a minimum of 6 weeks of 1:1 sessions
- 300 open access sessions

We have seen an unprecedented rise in referrals to our Targeted Services and the complexity of cases is rising. Combined with challenges around attracting suitably qualified and experienced staff, we took the decision in January 2023 to temporarily close our general referrals. We intend this to be a temporary measure.

Our major success this year has been the registration and opening of our Ofsted registered children's home. In December 2022 we were delighted to receive "Good in all areas" for our first inspections. Positive Futures Homes is running at capacity, staffing is stable and the children are thriving.

Fundraising

We do not undertake major fundraising from the general public. We do raise money from trusts and foundations. We attempt to maintain current income at stable rates.

Financial review

Our funders have continued to be supportive during this turbulent period, granting the charity funds to deliver on our objectives. Remaining agile, the charity has maintained its fund-raising activities and sought additional funds to support the challenges young people have faced. We continue to seek funding from Government, Trusts and Foundations to maintain sustainable service delivery. We continue to be grateful for their support and are satisfied with our financial performance.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation, together with the on-going economic uncertainty. We know we do great things that have a real impact on the young people and communities with whom we interact. Our reserves policy has to recognise that due to the tenuous nature of our funding, which can be prone to large swings, as a result of changes in government funding at short notice. We therefore believe that for our long-term sustainability, this requires us to hold larger reserves so we can withstand these short-term aberrations.

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be 6-9 months of the expenditure, plus any subsequent wind down costs. Based on the budgeted monthly fixed overhead expenditure for 2023/2024, plus the estimated wind-up costs, this figure is £250,000 - £300,000.

The reserves are needed to meet the working capital requirements of the charity and the Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The present level of unrestricted reserves available to the charity of £191,372 is below the target level. Our reserves this year are lower than optimal, due to the continued investment in our operations after the pandemic. The Trustees and Management expect to restore our reserves to the optimal level during the course of the next financial year, through enhanced fund raising activity.

Plans for future periods

The trustees and management continue to set a clear strategy for the Charity.

To enable and strengthen the on-going sustainability of the Charity and increase delivery and outcomes, we will seek to widen our funding streams by strengthening our marketing capability and increasing our profile to existing and potential new funders. This will enable us to clearly articulate the impact we have on young people in the city.

Commissioned by The Violence Reduction Unit, we began delivering the first six months of an eighteen month pilot - Transitions. These academically researched programmes attempt to remove the barrier to significant school absence.

Positive Futures Homes is fundamental to our future plans. Our experienced team opened our first Positive Home in 2022, which is operating at maximum occupancy and we shall look to build on this success in 2023, with a second site already identified.

Structure, governance and management

The organisation, which is a registered charity limited by guarantee (number 1145598) was incorporated on 9 May 2011. The governing document is the company's memorandum and articles of association (registered number 07626625). Every member of the charity undertakes to contribute to the assets of the society, in the event of being wound up while he or she is a member or within one year of ceasing to be a member, such amount as may be required, not exceeding £1.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P A Dickinson	(Resigned 31 May 2022)
P A Kennedy	
C McKune MBE	
G J Morris OBE	
C Williams	(Appointed 7 June 2022)
A E Wills CBE	(Appointed 7 June 2022)
S D Malone	(Appointed 5 September 2023)

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Method and recruitment of trustees

Trustees will approve the retirement of existing Directors and/or the recruitment of new Trustees in accordance with the Articles of Association.

Induction and training of new trustees

Trustees are appointed on the basis of their ability to bring to the board a range of skills to assist in the governance and development of the Charity. Before appointment, they are guided by the General Manager through a comprehensive induction procedure designed to give them a complete understanding of the aims and aspirations of the Charity. In addition, Charity Commission literature is given to all Trustees on an on-going basis in order to assist them to understand their legal responsibilities.

Organisation

Positive Futures North Liverpool Limited has a board who meet at least 6 times per year and are responsible for the strategic direction and policies of the charity. Directors derive no benefit, income or capital from the charity. Many day-to-day decisions are delegated to the Chief Executive, Clare Corran and the administration including recruitment and day to day financial operations.

Risk management

The Directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reviews and actions to mitigate risks.

Potential risks identified by the Trustees to the constitution of the Association's activities are:

1. Loss of funding streams
2. Failure of Positive Futures Homes venture
3. Loss of access to adequate levels and/or inexperienced staff

The Trustees have sought to minimise these risks in the following ways:

- The Trustees and staff are constantly seeking out new avenues of funding. They also ensure rigorous systems are in place for collecting monitoring information in accordance with the requirements of its funders
- Maintaining appropriate financial control in order to satisfy funding regulations and maintain positive relationships with funding organisations
- The Trustees and experienced staff have made prudent assumptions, assessed the risks and have rigorous assurance and financial control mechanisms in place
- PF offers a comprehensive training and development programme and continuously reviews remuneration packages for staff. We recognise the national demand for talented people and therefore look to make our training, development and retention programmes to be of the highest standard.

Remuneration policy

The CEO prepares a paper report for the board to make decisions on pay and remuneration. Voluntary Sector CEO Annual Salary Report is used for management benchmarking and Human Performance HR services provide a sector-based survey for other team member benchmarks.

Relationship with wider networks

The charity has key relationships with UK Youth, LCVS and National Youth Agency (NYA).

Significant partnerships exist across all sectors; statutory (police, youth offending, youth services, social services), Trusts & Foundations (funders), Schools and voluntary sector agencies in the youth space.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees report was approved by the Board of Trustees.



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P A Kennedy

Director

Dated: 23 October 2023

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POSITIVE FUTURES NORTH LIVERPOOL LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors of Positive Futures North Liverpool Limited for the purpose 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).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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. 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.

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

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF POSITIVE FUTURES NORTH LIVERPOOL LIMITED

I report to the Trustees on my examination of the financial statements of Positive Futures North Liverpool Limited (the Charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



John Whittick FCA
DJH Mitten Clarke Limited
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Dated: 23 October 2023

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
		2023	2023	2023	2023	2022	2022	2022	2022
		£	£	£	£	£	£	£	£
<u>Income from:</u>									
Donations and legacies	3	32,360	37,299	-	69,659	2,718	12,175	-	14,893
Charitable activities	4	1,000	-	614,122	615,122	-	45,383	422,828	468,211
Investments	5	-	20,183	-	20,183	-	13,726	-	13,726
Total income		33,360	57,482	614,122	704,964	2,718	71,284	422,828	496,830
<u>Expenditure on:</u>									
Charitable activities	6	87,337	34,222	495,324	616,883	95,199	103,595	363,342	562,136
Net (outgoing)/incoming resources before transfers		(53,977)	23,260	118,798	88,081	(92,481)	(32,311)	59,486	(65,306)

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Net (outgoing)/incoming resources before transfers	(53,977)	23,260	118,798	88,081	(92,481)	(32,311)	59,486	(65,306)
Gross transfers between funds	(36,356)	-	36,356	-	83,010	30,747	(113,757)	-
Net (expenditure)/income for the year/ Net movement in funds	(90,333)	23,260	155,154	88,081	(9,471)	(1,564)	(54,271)	(65,306)
Fund balances at 1 April 2022	281,705	467,750	107,405	856,860	291,176	469,314	161,676	922,166
Fund balances at 31 March 2023	191,372	491,010	262,559	944,941	281,705	467,750	107,405	856,860

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		252,013		279,395
Current assets					
Debtors	12	279,284		240,553	
Cash at bank and in hand		424,135		351,607	
		703,419		592,160	
Creditors: amounts falling due within one year	13	(10,491)		(14,695)	
Net current assets			692,928		577,465
Total assets less current liabilities			944,941		856,860
Income funds					
Restricted funds			262,559		107,405
Designated funds			491,010		467,750
Unrestricted funds			191,372		281,705
			944,941		856,860

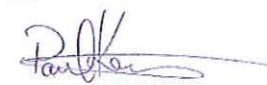
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23 October 2023



P A Kennedy
Trustee

Company Registration No. 07626625

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15		52,345		(89,424)
Investing activities					
Purchase of tangible fixed assets		-		(20,297)	
Investment income received		20,183		13,726	
Net cash generated from/(used in) investing activities			20,183		(6,571)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			72,528		(95,995)
Cash and cash equivalents at beginning of year			351,607		447,602
Cash and cash equivalents at end of year			424,135		351,607

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Positive Futures North Liverpool Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit B1, Tetlow Way, Liverpool, L4 4QS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

The charity receives government grants in respect of staff furlough during the COVID-19 pandemic and support to assist the charity in its aims. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

1.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are accounted for when paid. Expenditure is attributed to cost categories based on the amount expended during the year. The irrecoverable element of VAT is included with the item of expenses to which it relates.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the charity's activities. The bases on which support costs have been allocated are set out in note 7.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	nil
Fixtures and fittings	25% straight line
Computer equipment	33% straight line & 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	28,861	36,849	65,710	2,718	5,175	7,893
Voluntary income	3,499	-	3,499	-	-	-
Service provider income	-	450	450	-	7,000	7,000
	<u>32,360</u>	<u>37,299</u>	<u>69,659</u>	<u>2,718</u>	<u>12,175</u>	<u>14,893</u>

4 Charitable activities

	Grants from institutions	Government grants	Total	Grants from institutions	Government grants	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Grants	<u>450,933</u>	<u>164,189</u>	<u>615,122</u>	<u>327,166</u>	<u>141,045</u>	<u>468,211</u>
Analysis by fund						
Unrestricted funds	1,000	-	1,000	-	-	-
Designated funds	-	-	-	43,355	2,028	45,383
Restricted funds	<u>449,933</u>	<u>164,189</u>	<u>614,122</u>	<u>283,811</u>	<u>139,017</u>	<u>422,828</u>
	<u>450,933</u>	<u>164,189</u>	<u>615,122</u>	<u>327,166</u>	<u>141,045</u>	<u>468,211</u>

5 Investments

	Designated funds	Designated funds
	2023 £	2022 £
Rental income	10,302	6,800
Interest receivable	<u>9,881</u>	<u>6,926</u>
	<u>20,183</u>	<u>13,726</u>

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	2023 £	2022 £
Depreciation	27,382	20,593
Staff costs	353,596	331,628
Operations and activities	91,214	74,732
Other costs	13,930	10,516
Marketing	22,813	12,028
Computer running costs	764	743
Printing, postage and stationery	2,653	2,440
Legal & professional fees	37,158	21,857
Travel expenses	5,900	3,186
Light, heat and water	8,677	6,324
Rent and rates	12,594	12,303
Insurance	1,868	5,326
Repairs & maintenance	4,607	26,930
Telephone	2,855	3,947
Bank charges	-	11
Subscriptions	2,708	2,520
	<u>588,719</u>	<u>535,084</u>
Share of support costs (see note 7)	26,250	25,312
Share of governance costs (see note 7)	1,914	1,740
	<u>616,883</u>	<u>562,136</u>
Analysis by fund		
Unrestricted funds	87,337	95,199
Designated funds	34,222	103,595
Restricted funds	495,324	363,342
	<u>616,883</u>	<u>562,136</u>

All expenditure on charitable activities is for the sole purpose of the charity, which is youth development.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7	Support costs	Support costs £	Governance costs £	2023 Support costs £	2023 Support costs £	Governance costs £	2022 £	Basis of allocation
	Staff costs	26,250	-	26,250	25,312	-	25,312	Administration of charity
	Accountancy	-	1,914	1,914	-	1,740	1,740	Governance - accountancy and independent examination fees
		26,250	1,914	28,164	25,312	1,740	27,052	

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

No trustees expenses were incurred during the current or previous year.

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	15	20
Administration	1	1
Total	16	21

Employment costs	2023 £	2022 £
Wages and salaries	331,534	320,946
Social security costs	32,071	26,402
Pension costs	6,577	6,239
Staff benefit scheme	3,900	-
Healthcare costs	3,952	3,353
	378,034	356,940

There were no employees whose annual remuneration was £60,000 or more.

The staff benefit scheme relates to a one off voucher scheme, to assist staff with the cost of living crisis.

10 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.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2022	236,527	86,303	18,496	341,326
At 31 March 2023	236,527	86,303	18,496	341,326
Depreciation and impairment				
At 1 April 2022	-	60,848	1,083	61,931
Depreciation charged in the year	-	21,576	5,806	27,382
At 31 March 2023	-	82,424	6,889	89,313
Carrying amount				
At 31 March 2023	236,527	3,879	11,607	252,013
At 31 March 2022	236,527	25,455	17,413	279,395

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	5,434	850
Amounts owed by related parties	269,685	239,705
Prepayments and accrued income	4,165	-
	<u>279,284</u>	<u>240,555</u>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	8,577	8,224
Trade creditors	-	4,731
Accruals and deferred income	1,914	1,740
	<u>10,491</u>	<u>14,695</u>

14 Related party transactions

At the balance sheet date, £269,685 (2022: £239,705) was due from Positive Homes for Positive Futures Limited, a company with common directors. The majority of the loan attracts interest of 3% per annum, with the remainder attracting interest of 8% per annum. This loan is not expected to be recovered in the short term.

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15	Cash generated from operations	2023	2022
		£	£
	Surplus/(deficit) for the year	88,081	(65,306)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(20,183)	(13,726)
	Depreciation and impairment of tangible fixed assets	27,382	20,593
	Movements in working capital:		
	(Increase) in debtors	(38,731)	(37,024)
	(Decrease)/increase in creditors	(4,204)	6,039
	Cash generated from/(absorbed by) operations	52,345	(89,424)
		<u> </u>	<u> </u>

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:								
Tangible assets	280	236,526	15,207	252,013	20,656	236,526	22,212	279,395
Current assets/(liabilities)	191,166	254,562	248,293	694,020	261,082	231,569	86,099	578,749
Provisions / pensions	(74)	(79)	(940)	(1,093)	(33)	(345)	(906)	(1,283)
	<u>191,372</u>	<u>491,010</u>	<u>262,559</u>	<u>944,941</u>	<u>281,705</u>	<u>467,750</u>	<u>107,405</u>	<u>856,860</u>

The pension liability has been allocated between funds based on the wages and salaries cost allocation between funds.

Movement in funds

	Balance 2022 £	Incoming Resources £	Resources Expended £	Transfers In / (Out) £	Balance 2023 £
Unrestricted funds					
General fund	<u>281,705</u>	<u>33,360</u>	<u>(87,337)</u>	<u>(36,356)</u>	<u>191,372</u>
	<u>281,705</u>	<u>33,360</u>	<u>(87,337)</u>	<u>(36,356)</u>	<u>191,372</u>

POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

(Continued)

Restricted funds

Engage	54,308	278,821	(245,462)	45,523	133,190
Enterprise	7,393	100,001	(79,628)	-	27,766
Educate	1,917	160,300	(72,438)	(2,500)	87,279
Empower	43,787	75,000	(97,797)	(6,667)	14,324
	<u>107,405</u>	<u>614,122</u>	<u>(495,325)</u>	<u>36,356</u>	<u>262,559</u>

Designated funds

Refurbishment	3,094	-	-	-	3,094
New building	250,000	-	-	-	250,000
Future Funds	214,656	57,482	(34,222)	-	237,916

	<u>467,750</u>	<u>57,482</u>	<u>(34,222)</u>	<u>-</u>	<u>491,010</u>
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Total funds

	<u>856,860</u>	<u>704,964</u>	<u>(616,884)</u>	<u>-</u>	<u>944,941</u>
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POSITIVE FUTURES NORTH LIVERPOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

(Continued)

The purposes and plans of charity funds are as follows:

Unrestricted funds: Unrestricted funds are for the purpose of investing in youth development activity.

Restricted funds: Restricted funds are those given to us by individual foundations and trusts to be spent according to the original bids applied for. They relate to youth development activities.

Designated funds: Designated funds are for the purpose of supporting the essential strategic development of Positive Futures, post COVID-19.

We have received funds for our 4 major programmes "Engage", "Enterprise", "Educate" and "Empower" and would like to thank all the following donors for their support in enabling us to carry out our work:

ADHD Foundation

HAF

John Armitage Charitable Trust

Liverpool Clinical Commissioning Group (Liverpool Green Space & Health Project)

MPAC

Project Medusa - Operation Stonehaven (Merpol)

Merseyside Police & Crime Commissioner

St James Place

Steve Morgan Foundation

The Big Lottery Fund

The Stone Family

Torus Foundation