

# **Project Freedom Ltd**

Charity number 1151778

A Company limited by guarantee number 8413978

## **Annual Report and Financial Statements for the year ended 31 December 2023**

The logo for Greater Merseyside Community Accountancy Service (gmcas) features the lowercase letters 'gmcas' in white, set against a solid black rectangular background.

Greater Merseyside Community  
Accountancy Service

# **Project Freedom Ltd**

## **Annual Report and Financial Statements for the year ended 31 December 2023**

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**Prepared by the Greater Merseyside Community Accountancy Service**

# Project Freedom Ltd

## Trustees' report

### Review of progress and achievements

#### Project Freedom Annual Report 2023

The year has brought continued development within the charity and many areas of positive change.

In general Project Freedom has continued with its activities in the charity shops, mentoring and sustained investment into our volunteers.

We have also achieved the completion of the flat above one of our charity shops and the letting of the flat to a long-term tenant.

The **Charity Shops** continue to provide furniture and household items to people needing emergency rehousing or setting up a flat after a period of homelessness. The goods we stock in the shops to provide customers with reasonably priced items of clothing, furniture, toys, etc. come from generous donations from the public and from house clearances. We have seen a huge increase in family need over the past year; so it's been a privilege to be able to support people with much needed items, they wouldn't otherwise be able to afford. We have also been able to provide crisis packages to those most in need.

Our **Transport team** also carry out removals, collections, and deliveries.

We are still noticing the after-effects of Covid, with a number of our **volunteers and clients** still struggling with bereavement and mental health problems, as well as relapses into addictions. The management team and trustees have been involved in regular phone calls and conversations, offering support wherever possible. This outreach has been very much appreciated.

Despite the challenges we feel relations between the staff team have deepened and we recognize this to be a key focal point in everything we aim to do as a Charity.

We continue our **Mentoring programme** offering a one-off session or continuing meeting up with individuals as long as the clients feel the need for support.

We have introduced a **Freedom breakfast** this year, which has had a great uptake. The chat and interaction between guests over the meal appears both lively and helpful. We have seen over 180 clients over the course of the year.

**Flat Renovation.** We have now successfully completed the renovation of the flat above one of our Charity shops. The premises were in a very poor state of repair and we were thankful to have a great team of both volunteers and tradesmen contractors, whose combined skills enabled the flat to be completed to a high standard.

There is now a long-term tenant in place, whose profile also meets our Charity objectives. They are settled in and enjoying their new home.

The **Skate Park** hasn't been used in 2023 and has been in storage. It has been thoroughly checked however and is still very much in working order. Since Covid, we have noticed an increasing number of parks and communities have invested in permanent skate parks on their grounds.

Whilst our mobile Skate Park is still very much an asset to us, for early intervention and prevention work in young people, the rising cost of insurance gives us cause for concern.

#### Achievements and Challenges

On a positive note our volunteers have expressed that they experience a sense of purpose and fulfilment from serving us as a Charity. Some members of our volunteer staff battle with their own issues but have often mentioned how volunteering helps maintain a healthy balance regarding their mental and emotional wellbeing. As much as we could not do what we do without them, we believe it is absolutely reciprocated.

Other new positive opportunities are the Freedom breakfast and successful collaborations with other Charities and Social Enterprises. There is definitely a sense of potential growth and fresh opportunities on the horizon.

#### Contribution of volunteers

As always we wish to say a huge Thank You to all our volunteers. Thank you for your commitment each day and for the welcome you give to customers. We would not been able to function without you, thank you very much.

# **Project Freedom Ltd**

## **Trustees' report continued**

### **Future Plans**

Despite the positives mentioned above, we are carefully considering the future of the Charity. The faithful contribution of our volunteers and the sense of purpose the charity shop work gives them is a major factor in our considerations.

However, we cannot overlook the financial predicament we find ourselves in. Having used reserves to complete the renovations of the flat, costing more than expected; combined with the aftereffects of covid on public spending, which has impacted our revenue and donation streams; the two have brought us to a place where serious considerations need to be made about the viability of the Charity. The Trustees recognise the challenging cashflow position faced.

Added to this, is the fact that two of our long-standing trustees are due to retire shortly and also, that members of the management team are needing to resign due to poor health.

After detailed discussion, where conversations were had, whether to fold or to continue; it was brought to the attention of the Trustees, that the newly renovated building, may now hold more value than it was purchased outright for. It was suggested that, if this is the case; then equity released from the property and with some careful strategic planning; there may just be a lifeline available for us as a Charity and that it is certainly worth a consideration.

The strategic plan agreed is to apply for an equity release mortgage; of which, the reserves account would be replenished to the three month stipulation set in our reserves policy; then to develop the shops including addressing essential repairs and maintenance, then the remaining funds will be used to provide unrestricted reserves that will address the current cashflow situation in the short term whilst the strategy to increase income and reserves is implemented.

We plan to recruit an Operations Manager to manage and develop the charity shops, with a focus of increasing income streams and productivity. In addition, the Trustees are in conversation with a new Trustee who has significant finance and charity management experience to join the team, providing additional guidance and scrutiny. The Trustees will develop a Strategic Plan as a framework supporting the charity's development and future sustainability. We are confident that the implementation of these two aspects, will make a huge impact and that Project Freedom could change from striving to thriving.

# **Project Freedom Ltd**

## **Reserves Policy**

The trustees continue reviewing the adequacy of the charity's reserves. Currently there is sufficient funds coming in through our income streams to enable the charity to continue meeting its stated aims and objectives. However, our reserves policy as a charity is to hold the minimum equivalent of three months running costs, which at this time we do not. For the financial year ending 31 December 2023 this would equate to £15,094. This is our priority to address in early 2024.

## **Risk Management**

The trustees have assessed the major risks to which the charity is or may be exposed, and in particular those related to the operations and financing of the charity. Whilst it is recognised that we still face major risks currently; in evaluation, the Trustees have agreed to a 12-month strategic plan; reviewing our policies, procedures and systems regularly to ensure we work towards completely mitigating our exposure to major risks. The viability of the Charity will be reassessed in the annual review in February 2025.

## **Statement of Directors' responsibilities**

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

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

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

Approved by the Board on 17th September 2024 and signed on behalf of the directors by:

David Calland  
Trustee

## Reference and Administrative Details

### Project Freedom Ltd

**Charity number 1151778**

**A Company limited by guarantee number 8413978**

The trustees, who are the directors of the company for the purposes of company law, are pleased to present their report and financial statements together with the independent examiner's report for the year ended 31 December 2023.

Name	Position	Dates
Liz Perera	Secretary	
David Calland	Chair	
Gustaf du Plessis	Treasurer	
David Richard Hoos		resigned 8 Jan 24
Margaret Grace Moody		appointed 12 April 24

#### Method of appointment

Members of the board of trustees, who are the directors for the purpose of company law and trustees for the purpose of charity law who served during the year are set out above. The trustees meet monthly and receive reports from management to manage their charity's affairs.

#### Registered address

15-17 Bridge Street  
Earlestown  
Newton-Le-Willows  
WA12 9BE

#### Bankers

Barclays Bank PLC	Lloyds Bank PLC
48B - 50 Lord Street	PO Box 1000
Liverpool	Andover
L2 1TD	

#### Governing document

The organisation is a charitable company limited by guarantee, incorporated 21 February 2013 company number 08413978. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Registered as a Charity on 25th April 2013 number 1151778

#### Objects of the organisation

To advance the christian faith for the benefit of the public. The relief of the physical and mental sickness of persons in need, primarily by reason of addiction to substances.

To assist in advancing education of persons by developing their mental, physical and moral capabilities.

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

For the purpose of this clause "socially excluded" primarily means being excluded from society, or parts of society, as a result of unemployment, financial hardship, youth, substance abuse or dependancy, poor educational or skills attainment, or as a result of being a member of a socially or economically deprived community.

## **Reference and Administrative Details**

**Project Freedom Ltd**

**Charity number 1151778**

**A Company limited by guarantee number 8413978**

**Independent Examiner**

**Jane Williams**

**Greater Merseyside Community Accountancy Service**

Beacon Building

College Street

St Helens

WA10 1TF

## **Approval**

This report, which has been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, was approved by the trustees on 17th September 2024 and signed on their behalf by:

## **Independent Examiner's report to the trustees of Project Freedom Ltd**

I report on the accounts of the charity for the year ended 31 December 2023 set out on pages 8 to 17.

### **Respective responsibilities of the Trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

### **Basis of Independent examiner's statement**

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

### **Independent examiner's statement**

In the course of my examination, no matter has come to my attention other than that disclosed below:

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

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

have not been met; or

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

Jane Williams  
MAAT

**Greater Merseyside Community Accountancy Service**

Beacon Building  
College Street  
St Helens  
WA10 1TF



**Project Freedom Ltd**  
**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**for the year ended 31 December 2023**

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	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
<b>Income from:</b>					
Income from donations	(4)	1,018	-	1,018	360
Income from charitable activities	(5)	44,286	-	44,286	46,250
Other incoming resources	(6)	4,550	-	4,550	-
Bank interest		-	-	-	-
<b>Total incoming resources</b>		<u>49,854</u>	<u>-</u>	<u>49,854</u>	<u>46,610</u>
<b>Resources expended</b>					
Charitable activities	(7)	<u>54,257</u>	<u>-</u>	<u>54,257</u>	<u>56,875</u>
<b>Net incoming / (outgoing) resources</b>		(4,403)	-	(4,403)	(10,265)
<b>Transfers between funds</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(4,403)	-	(4,403)	(10,265)
<b>Reconciliation of funds</b>					
<b>Total funds as at 1 January 2023</b>		<u>38,203</u>	<u>-</u>	<u>38,203</u>	<u>48,468</u>
<b>Total funds as at 31 December 2023</b>	(7a)	<u>33,799</u>	<u>-</u>	<u>33,799</u>	<u>38,203</u>

The above statement includes all gains and losses recognised during the year.  
All activities are regarded as continuing.  
Comparative figures for the previous year by fund type are shown in Note 15.  
The Notes on pages 11 to 17 form an integral part of these accounts.

# Project Freedom Ltd

Charity number 1151778

A Company limited by guarantee number 8413978

## Balance sheet

as at 31 December 2023

		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	(10)	31,105	-	31,105	31,398
<b>Total fixed assets</b>		<u>31,105</u>	<u>-</u>	<u>31,105</u>	<u>31,398</u>
<b>Current Assets</b>					
Debtors and prepayments	(11)	-	-	-	-
Cash at bank and in hand	(12)	2,694	-	2,694	6,805
<b>Total current assets</b>		<u>2,694</u>	<u>-</u>	<u>2,694</u>	<u>6,805</u>
<b>Current liabilities:</b>					
<b>amounts falling due within one year</b>					
Creditors (due within one year)	(13)	-	-	-	-
<b>Total current liabilities</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets</b>		<u>33,799</u>	<u>-</u>	<u>33,799</u>	<u>38,203</u>
<b>Funds of the charity</b>					
Restricted Funds		-	-	-	-
Unrestricted funds		33,799	-	33,799	38,203
<b>Total Funds</b>	(15)	<u>33,799</u>	<u>-</u>	<u>33,799</u>	<u>38,203</u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31 December 2023

the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and

the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act

the trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The notes on pages 11 to 17 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 17th September 2024 and signed on their behalf by:

Elizabeth Perera  
Director / Trustee

**Project Freedom Ltd**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 December 2023**

	2023	2022
	Total	Total
	£	£
<b>Cash flows from operating activities:</b>		
Net income/(expenditure) per SOFA	(4,403)	(10,265)
Depreciation	1,080	1,045
Investment income	-	-
(Increase)/decrease in debtors	(5)	-
Increase/(decrease) in creditors	-	-
	<u>(3,323)</u>	<u>(9,220)</u>
<b>Cash flows from investing activities</b>		
Capital	<u>(787)</u>	<u>(7,370)</u>
	<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash:</b>	(4,110)	(16,590)
<b>Total cash as at 1 January 2023</b>	<u>6,805</u>	<u>23,395</u>
<b>Total cash as at 31 December 2023</b>	<u>2,694</u>	<u>6,805</u>

The notes on pages 11 to 17 form an integral part of these accounts.

# **Project Freedom Ltd**

## **Notes to the accounts**

### **for the year ended 31 December 2023**

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#### **1 Basis of preparation**

These accounts (financial statements) have been prepared under the historical cost convention,

- 1.1** with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s), in accordance with:

- (a) The Charities Act 2011
- (b) The Companies Act 2006
- (c) The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS 102

(d) Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (effective January 2019)

- 1.2** The charity meets the definition of a public benefit entity as defined by FRS 102

- 1.3** The trustees consider that there are not material uncertainties about the charity's ability to continue as a going concern.

#### **2 Accounting Policies**

##### **2.1 Fund accounting**

- (a) Unrestricted funds are those that can be expended at the discretion of the trustees in the furtherance of the objects of the charity.
- (b) Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.
- (c) The purposes of the funds are shown in Note 7a.

##### **2.2 Income**

- (a) Income is recognised and included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the income; receipt is probable; and the monetary value can be measured with sufficient reliability.
- (b) Where income has related expenditure (e.g. shop), the income and related expenditure are reported gross in the SOFA.
- (c) Bank interest is recognised when credited to the account.
- (d) Gift Aid, where appropriate, is recognised in the same accounting period as the donation to which it relates.
- (e) Income, which is subject to conditions that the charity has yet to fulfil, or which is specifically for use in a future accounting period, is treated as deferred income.

##### **2.3 Expenditure and liabilities**

- (a) Expenditure is recognised on the accruals basis.
- (b) The charity is not registered for VAT, thus all costs are shown inclusive of VAT charged.
- (c) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- (d) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

# **Project Freedom Ltd**

## **Notes to the accounts**

### **for the year ended 31 December 2023**

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#### **2.4 Tangible Fixed Assets**

(a) Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £250. They are valued at cost or, if gifted, at their value on receipt.

Rates of depreciation

Buildings:	25yrs straight line basis to nil
Motor Vehicles & Skate Park:	20% straight line basis to nil
Computers & Equipment:	20% straight line basis to nil

#### **2.5 Debtors**

(a) Debtors are recognised at the settlement amount due.

(b) Prepayments are valued at the amount prepaid.

#### **2.6 Cash**

(a) Cash comprises bank deposits repayable on demand and any short-term highly liquid investments with a maturity date of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **2.7 Creditors**

(a) Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount, usually the invoice amount.

(b) Accrued charges are normally valued at their settlement amount.

#### **2.8 Taxation**

The charity is not liable to income tax or capital gains tax on its charitable activities.

### **3 Transactions with trustees and related parties**

No trustees received any remuneration or expenses during the accounting period.

Owing to the nature of the charity's activities and the composition of the board of trustees (being drawn from local statutory and voluntary organisation), it is inevitable that transactions will take place with organisations in which a trustee may have an interest. All transactions in which a trustee may have an interest are conducted at arm's length and in accordance with the charity's financial regulations and expenditure procedures. No transactions were identified which should be disclosed under FRS 102.

**Project Freedom Ltd**  
**Notes to the accounts**  
**for the year ended 31 December 2023**

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**4 Income from donations**

	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Grants & donations	1,018	-	1,018	360
	<u>1,018</u>	<u>-</u>	<u>1,018</u>	<u>360</u>

**5 Income from charitable activities**

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Shop Income	44,286	-	44,286	46,250
Other income & grants	-	-	-	-
	<u>44,286</u>	<u>-</u>	<u>44,286</u>	<u>46,250</u>

**6 Other Incoming resources from charitable activities**

	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Rental Income	4,550	-	4,550	-
	<u>4,550</u>	<u>-</u>	<u>4,550</u>	<u>-</u>

# Project Freedom Ltd

## Notes to the accounts

### for the year ended 31 December 2023

#### 7 Expenditure of charitable activities

	2023 Unrestricted funds	2023 Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
<b><u>Direct Costs</u></b>				
Transport & driver	7,083	-	7,083	4,864
Shop costs	545	-	545	890
Premises	13,148	-	13,148	10,933
Admin costs	206	-	206	113
Volunteer expenses	1,447	-	1,447	525
Contractors	24,000	-	24,000	27,760
Phone, Internet and postage	496	-	496	577
Insurance	2,226	-	2,226	3,974
Van Running Cost	1,045	-	1,045	755
General Expenses	334	-	334	2,662
Repairs & Maintenance	2,197	-	2,197	2,100
Depreciation	1,080	-	1,080	1,045
Governance Costs	(8) 450	-	450	677
<b>Total resources expended</b>	<b>54,257</b>	<b>-</b>	<b>54,257</b>	<b>56,875</b>

**Project Freedom Ltd**  
**Notes to the accounts**  
**for the year ended 31 December 2023**

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<b>8 Governance Costs</b>	2023	2022
	£	£
Independent Examiners' fee	450	450
Annual Return Fee	-	-
Administration & Fees	-	227
	<u>450</u>	<u>677</u>
<b>9 Staff costs and numbers</b>	2023	2022
	£	£
Gross salaries	-	-
Social security costs	-	-
	<u>-</u>	<u>-</u>

There were no employees during the period under review.



# Project Freedom Ltd

## Notes to the accounts

### for the year ended 31 December 2023

#### 10 Tangible assets

	Buildings	Motor Vehicles & Skate Park	Computers & Equipment	Total
<u>Cost</u>	£	£	£	£
At 1 January 2023	54,141	67,580	1,236	122,957
Additions	787	-	-	787
At 31 December 2023	54,928	67,580	1,236	123,744
<u>Depreciation</u>				
At 1 January 2023	22,743	67,580	1,236	91,559
Charge for year	1,080	-	-	1,080
At 31 December 2023	23,823	67,580	1,236	92,639
<u>Net book value</u>				
At 31 December 2023	31,105	-	-	31,105
At 31 December 2022	31,398	-	-	31,398

#### 11 Debtors and prepayments

	2023	2022
	£	£
Debtors	-	-
Prepayments	-	-
	-	-

#### 12 Cash at bank and in hand

	2023	2022
	£	£
Current Account 1	-	5,665
Current Account 2	2,838	1,284
Cash in hand	(144)	(144)
	2,694	6,805

#### 13 Creditors and accruals

	2023	2022
	£	£
Creditors	-	-
Accruals	-	-
	-	-

**Project Freedom Ltd**  
**Notes to the accounts**  
**for the year ended 31 December 2023**

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**15 Comparative income and expenditure by fund type**

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	Unrestricted Funds		Restricted Funds	
	2023	2022	2023	2022
	£	£	£	£
<b>Income from:</b>				
Income from donations	1,018	360	-	-
Income from charitable activities	44,286	46,250	-	-
Other incoming resources	4,550	-	-	-
Bank interest	-	-	-	-
<b>Total incoming resources</b>	<b>49,854</b>	<b>46,610</b>	<b>-</b>	<b>-</b>
<b>Expenditure on:</b>				
Charitable activities	54,257	56,875	-	-
<b>Net incoming / (outgoing) resources</b>	<b>(4,403)</b>	<b>(10,265)</b>	<b>-</b>	<b>-</b>
<b>Transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(4,403)</b>	<b>(10,265)</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of funds</b>				
<b>Total funds as at 1 January 2023</b>	<b>38,203</b>	<b>48,468</b>	<b>-</b>	<b>-</b>
<b>Total funds as at 31 December 2023</b>	<b>33,799</b>	<b>38,203</b>	<b>-</b>	<b>-</b>